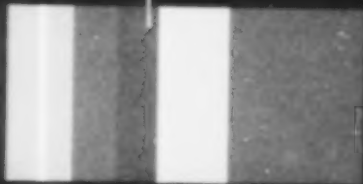


Expenditure Budget

2006 - 2007

Volume III



Annual Expenditure Management Plans
of the Departments and Agencies

Québec 



2006-2007
Expenditure Budget

Volume III

**Annual Expenditure Management Plans
of the Departments and Agencies**

**for the fiscal year
ending March 31, 2007**

Tabled in the National Assembly
as required by section 46
of the Public Administration Act (R.S.Q., c. A-6.01)
by Mrs. Monique Jérôme-Forget,
Chair of the Conseil du trésor
and Minister responsible for Government Administration

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FOREWORD

The Public Administration Act (R.S.Q., c. A-6.01) requires the Chair of the Conseil du trésor to table in the National Assembly the Expenditure Budget for all departments and agencies. This sets out the appropriations required over the course of the coming fiscal year, as well as the annual expenditure management plans developed by each of the ministers.

The Chair of the Conseil du trésor presents the 2006-2007 Expenditure Budget information to the National Assembly in four volumes:

- Volume I, *Estimates and Annual Expenditure Management Plans of the National Assembly and Persons Appointed by the National Assembly*, contains information on the National Assembly and persons such as the Public Protector, the Auditor General, the Chief Electoral Officer and the Lobbyists Commissioner who are designated by the National Assembly.
- Volume II, *Estimates of the Departments and Agencies*, contains estimates of all government appropriations for the 2006-2007 fiscal year. It distinguishes between the Expenditure Budget and the Capital Budget. Appropriations are broken down by portfolio and by program.
- Volume III, *Annual Expenditure Management Plans of the Departments and Agencies*, contains the annual expenditure management plans developed by each of the ministers.
- Volume IV, *Message from the Chair of the Conseil du trésor and Additional Information*, begins with a message from the Chair and provides additional expenditure budget information.



PREFACE

The Public Administration Act (R.S.Q., c. A-6.01) requires a consolidated set of documents to be tabled in the National Assembly: the strategic plan, the annual expenditure management plan and the annual management report, all in a perspective of accountability to the legislature.

Volume III of the expenditure budget contains the annual expenditure management plans for each portfolio assigned to a minister, meaning the department and budget agencies under his or her responsibility. While tabling Volume III of the expenditure budget in the National Assembly is the duty of the Chair of the Conseil du trésor, the responsibility for preparing and implementing the plans rests with each responsible minister.

The first section of Volume III is a table summarizing the expenditures for all portfolios for the 2005-2006 and 2006-2007 fiscal years. Beginning with highlights, each portfolio's annual expenditure management plan is then presented in the following format:

- The "Presentation of the minister's portfolio" section states the mission or purpose of the department and agencies that make up a portfolio. This section highlights the nature of the organization, its clientele, its fields of activity and its ends.
- The "Budgetary choices" section discusses the choices made with regard to the allocation of resources and the actions considered to attain the stated objectives.
- The "Budget plan" section explains the evolution of the expenditure budget by program and the main changes:
 - the expenditure budget by program presents the budgets for the 2005-2006 and 2006-2007 fiscal years, the 2005-2006 probable expenditure, the change between the 2006-2007 expenditure budget and the 2005-2006 probable expenditure as well as the staff level;
 - the 2006-2007 capital budget is compared to the 2005-2006 fiscal year and contains the "Fixed Assets" and "Loans, Investments and Advances" supercategories;
 - a table covers the budget-funded and the extrabudgetary agencies reporting to the Minister, their expenditure budgets for the 2005-2006 and 2006-2007 fiscal years as well as the share financed by the departmental portfolio;
 - special funds are presented separately and, for 2005-2006 and 2006-2007, show the forecast revenues and expenditures, the expected surplus or deficit and investment as well as, if applicable, the fund's staff levels.

The same information for the National Assembly and Persons Appointed by the National Assembly is presented in Volume I of the expenditure budget.



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SUMMARY OF EXPENDITURES

SUMMARY OF EXPENDITURES

The Summary of Expenditures reproduces the budget information presented in the 2006-2007 Annual Expenditure Management Plans. The annual plans of the National Assembly and all of the government's departmental portfolios can be found respectively in Volumes I and III of the Expenditure Budget.

The following table presents the expenditure budgets of each portfolio for the fiscal years 2005-2006 and 2006-2007 and the 2005-2006 probable expenditure. This table also shows variances between expenditure budget for fiscal 2006-2007 and probable expenditure for 2005-2006.

Summary of expenditures¹
(millions of dollars)

	2006-2007		2005-2006 ²	
	Expenditure Budget	Change	Expenditure Budget	Probable Expenditure
	(1)	(2) = (1) - (4)	(3)	(4)
Assemblée nationale ³	100.3	0.2	100.1	100.1
Personnes désignées par l'Assemblée nationale ³	62.4	2.4	60.2	60.0
Affaires municipales et Régions	1,847.4	84.8	1,774.4	1,762.7
Agriculture, Pêcheries et Alimentation	673.2	16.8	651.2	656.5
Conseil du trésor et Administration gouvernementale	823.1	(20.8)	799.1	843.8
Conseil exécutif	265.0	38.9	279.2	226.1
Culture et Communications	579.5	45.4	535.1	534.1
Développement durable, Environnement et Parcs	189.6	0.4	187.6	189.2
Développement économique, Innovation et Exportation	618.5	(41.2)	570.0	659.7
Éducation, Loisir et Sport	12,797.9	660.0	12,230.0	12,137.8
Emploi et Solidarité sociale	4,033.3	(23.3)	4,063.8	4,056.6
Famille, Aînés et Condition féminine	1,733.3	109.9	1,636.4	1,623.4
Finances ⁴	159.6	63.2	179.5	96.4
Immigration et Communautés culturelles	105.8	5.7	98.8	100.1
Justice	630.9	7.7	613.7	623.1
Relations internationales	99.0	(0.5)	99.5	99.4
Ressources naturelles et Faune	379.3	(28.6)	387.4	407.8
Revenu	798.1	(98.4)	894.6	896.5
Santé et Services sociaux	22,114.5	1,302.5	20,799.9	20,812.0
Sécurité publique	916.0	(14.5)	904.4	930.5
Services gouvernementaux	40.9	(51.1)	54.1	92.0
Tourisme	139.3	(19.3)	138.3	158.6
Transports	1,957.0	145.7	1,821.5	1,811.4
Travail	31.5	(30.5)	61.3	62.0
Anticipated Lapsed Appropriations	(150.0)	(150.0)	—	—
Appropriations Carried over in 2007-2008	(72.2)	(72.2)	—	—
Program spending	50,873.0	1,933.0	48,940.0	48,940.0
Debt service	7,205.0	356.0	6,849.0	6,849.0
Total expenditures	58,078.0	2,289.0	55,789.0	55,789.0

Summary of expenditures – References

- ¹ The information only pertains to the expenditure budget and therefore does not include extrabudgetary agencies and special funds. It also excludes the "Fixed Assets" and "Loans, Investments and Advances" supercategories included in the capital budget appearing in Volume II of the 2006-2007 Expenditure Budget.
- ² Program spending is presented according to the 2006-2007 budget structure.
- ³ The information pertaining to the appropriations, expenditures and Annual Expenditure Management Plans of the National Assembly and the Persons Appointed by the National Assembly is presented in Volume I.
- ⁴ For the purposes of this table, the government debt service is excluded from the expenditures of the "Finances" portfolio. In Volume II of the 2006-2007 Expenditure Budget and in the Annual Expenditure Management Plans of the departments and agencies, the expenditures of the "Finances" portfolio incorporate debt service.



**ANNUAL EXPENDITURE MANAGEMENT PLANS
OF THE DEPARTMENTS AND AGENCIES**



AFFAIRES MUNICIPALES ET RÉGIONS

HIGHLIGHTS

- The following budgetary issues were retained in the overall "Affaires municipales et Régions" portfolio for the next fiscal year and will guide the Department's planned actions during the fiscal year:
 - Provide financial support to municipalities through programs to rebuild infrastructures and construct water supply and wastewater systems to continue efforts to maintain continuity and the development of municipal infrastructures;
 - Provide to Québec municipalities the funding required to renew planned actions in the Financial and Fiscal Pact reached with the municipalities in 2000;
 - Enhance the development of all Québec's regions by providing financial support to the Regional Development Fund, Support for Rural Life and the Fonds de diversification économique de la Gaspésie-Îles-de-la-Madeleine;
 - Support the economic, social and cultural development of Greater Montreal by financing structuring projects;
 - Continue government interventions that aim to help households, particularly those with low incomes, gain access to affordable housing.

1. Presentation of the Minister's portfolio

The Minister of Municipal Affairs and Regions' portfolio includes, in addition to the Department, the Commission municipale du Québec (CMQ), the Société d'habitation du Québec (SHQ), the Régie du logement and the Société québécoise d'assainissement des eaux.

As the entity responsible for municipal organization and regional development, the Department advises the Government and ensures interdepartmental coordination in these areas. Its mission is to encourage, in conjunction with the municipal organizations and regional development actors, the implementation and maintenance of a quality living environment and quality municipal services for all citizens, the development of regions and rural areas, and the advancement and promotion of greater Montréal.

The CMQ's mission is to act as an expert or decision maker in matters relating to territorial organization, supra-local equipments, municipal taxation, trusteeship, fees, investigation and contract allocation, with a view to efficient and effective municipal administration.

The mission of the SHQ is to facilitate Québec citizens' access to adequate housing conditions, taking into account their financial capability, the diversity of their needs and the economic and socio-demographic situation, to promote the improvement of general housing conditions in Québec, and to foster the development and recognition of Québec's expertise in housing.

As an expert tribunal exercising its jurisdiction in matters relating to housing leases, the Régie du logement's mission is to decide disputes referred to it using a procedure that is simple and compliant with natural justice rules, to inform citizens about the rights and obligations associated with a lease to avoid the emergence of conflicts solely based on a lack of knowledge of the provisions of the law, and to promote reconciliation between tenants and those who rent to them. Moreover, the Régie du logement monitors the preservation of the stock of rental units in certain situations and, in these cases, ensures the protection of tenants' rights.

2. Budgetary Choices

Resources in the overall "Affaires municipales et Régions" portfolio are allocated on the basis of the ministers' priorities and the main strategic orientations retained. These budgetary choices are essentially aimed at encouraging regional and municipal autonomy, the development of municipal infrastructures, the financial support of the Montreal metropolitan region and the improvement of general housing conditions.

Significant funds will be paid to the municipalities through actions planned in the Financial and Fiscal Pact that was reached with the municipalities in 2000 and renewed in 2006 with full indexation up to the conclusion of the new agreement with the municipalities.

In addition, the government will ensure the development of the regions and rural areas by investing the funds stipulated in Support for Rural Life and the Fonds de diversification économique de la Gaspésie-Îles-de-la-Madeleine and by supporting the resource regions and communities experiencing difficulties. It will also increase the funds allocated for the regional conferences of elected representatives.

The municipalities will be able to benefit from considerable funds for the setting of standards and the development of their infrastructures as the government would like to intensify its efforts toward continuity and development of municipal infrastructures. The amounts allocated by the Department for this purpose will be subsidized by additional investments by the Société de financement des infrastructures locales du Québec.

Support to metropolitan institutions and the funding of structuring projects will continue in order to encourage the development of greater Montréal.

To enable more low-income households to gain access to housing that meets their needs, the SHQ will support the construction of affordable social, community-based and private housing under the AccèsLogis Québec and Affordable Housing Québec programs.

The SHQ will also continue to allocate a significant portion of its budget to ensure the continuity of the supply of social housing units reserved exclusively for low-income households. It will continue to provide financial support to various low-income households so as to reduce the portion they need to spend on housing. In particular, emergency rent supplements that were granted in past years in view of the housing shortage have been renewed for another year. Finally, the SHQ will continue its efforts to reduce waiting lists for the adaptation of homes in order to respond to the needs of people with disabilities.

The investments planned in each of these sectors will contribute to the establishment of an environment conducive to the economic development of Québec's municipalities and territories.

3. Budget Plan

The budget of the "Affaires municipales et Régions" portfolio totals \$1,847.4 million for 2006-2007, representing an increase of \$84.8 million as compared to the probable expenditure for fiscal 2005-2006.

This increase is mainly due to the allocation of significant funds to the renewal of the financial measures in the Financial and Fiscal Pact, approved major investments for various infrastructure programs and increased financial support in the housing sector.

Expenditure budget by program
 (thousands of dollars)

	2006-2007		2005-2006	
	Expenditure Budget (1)	Change (2)=(1)-(4)	Expenditure Budget (3)	Probable Expenditure (4)
1. Greater Montréal Promotion and Development	70,433.1	(5,035.6)	75,668.7	75,468.7
2. Upgrading Infrastructure and Urban Renewal	582,802.3	29,808.0	580,009.6	552,994.3
3. Compensation in lieu of Taxes and Financial Assistance to Municipalities	714,262.2	30,632.5	674,224.9	683,629.7
4. General Administration	56,077.4	656.3	55,334.2	55,421.1
5. Regional Development and Rurality	69,024.6	9,745.0	54,864.6	59,279.6
6. Commission municipale du Québec	2,269.0	(277.7)	2,325.2	2,546.7
7. Housing	337,900.5	19,038.3	317,653.0	318,862.2
8. Régie du logement	14,672.6	186.9	14,323.4	14,485.7
Total	1,847,441.7	84,753.7	1,774,403.6	1,762,688.0
Total Staff Level (FTEs) (excluding special funds)	810	(13)	—	823

Program 1: Greater Montréal Promotion and Development

This program seeks to promote and support the economic, cultural and social development of greater Montréal in order to foster its progress, vitality and the broadening of its influence. Furthermore, it is intended to provide financial support for the realization of initiatives designed to further the development and promotion of the greater Montréal area while acting as a catalyst and rallying point for the promotion of its interests. It facilitates concerted action between numerous private and public sector partners in the area, notably concerning urban planning, monitors the consistency of government initiatives for this territory, and assumes responsibility for government policy concerning local and regional governance.

This program's expenditure budget shows a reduction of \$5.0 million as compared to fiscal 2005-2006 in view of reduced costs related to the repayment of loans from the Société de gestion Marie-Victorin and the non-recurrence of budgets allocated to the provision for bad debts which reached an adequate level in 2005-2006.

Program 2: Upgrading Infrastructure and Urban Renewal

This program procures financing to facilitate the construction of water supply and wastewater systems and municipal wastewater purification in all regions of Québec.

Moreover, it allows for the provision of financial support to rebuild infrastructure in municipalities, urban communities and northern communities, particularly by the Infrastructures and Urban Renewal and Town Renewal programs.

The expenditure budget allocated to infrastructure programs has increased by \$29.8 million and totals \$582.8 million. This budget increase is due to significant funds allocated to the Québec Sewage Treatment Program and to forecast investments in the Canada-Québec 2000 infrastructure programs and Québec-Municipalities Infrastructure Works.

Program 3: Compensation in lieu of Taxes and Financial Assistance to Municipalities

This program is intended to provide municipalities with compensation in lieu of taxes for properties of the government, the health and social services and education networks, and foreign governments. It supports the voluntary regrouping of municipalities and provides financial assistance to municipalities. It supports regional county municipalities, especially from the standpoint of land use planning. This program also encompasses the financial measures of the Financial and Fiscal Pact, which is the agreement reached with the municipalities.

The funds allocated to this program increased by \$30.6 million to allow the government to respect its commitments under compensation programs in lieu of taxes and financial measures as planned in the Financial and Fiscal Pact which was renewed in 2006 with full indexation.

Program 4: General Administration

This program allocates, to the Department's management and to all of its administrative units, the resources necessary for its operations, in particular for managing various departmental programs and for formulating policy. In addition, it makes it possible to ensure representation in Québec's regions in the implementation of departmental and governmental guidelines and policies concerning municipalities and the development of all regions of Québec.

The funds allocated to this program increased by \$0.7 million as compared to the probable expenditure for fiscal 2005-2006. The Department put aside the necessary funds for costs related to the processing of objections raised to the Department by municipalities with respect to certain decisions about agglomeration. Finally, this program's budgets will allow the funding of salary indexations granted to the government's employees.

Program 5: Regional Development and Rurality

This program provides financial support for local and regional development. It consists of budgets allocated to regional development and rural areas.

The budget allocated to this program increased by \$9.7 million as compared to the probable expenditure in fiscal 2005-2006. An additional amount of \$8.0 million is allocated to the Regional Development Fund for the operating expenses of the regional conferences of elected representatives (CREs). Moreover, the level of the budget allows the Department to maintain an additional amount of \$5.5 million that it invested in 2005-2006 for the Fonds de diversification économique de la Gaspésie-Îles-de-la-Madeleine and ensures important funding to certain municipalities experiencing difficulties. Finally, it makes provisions for funds required by Support for Rural Life.

Program 6: Commission municipale du Québec

This program allows for interventions in municipal affairs with respect to territorial organization, technical regulation, investigation, trusteeship, contract allocation and recognition of tax-exempt status. The budget of the Commission municipale du Québec decreased slightly to take into account the reduction of certain activities.

Program 7: Housing

This program aims to facilitate Québec citizens' access to adequate housing conditions, taking into account their financial capability, the diversity of their needs and the economic and socio-demographic situation, to promote the improvement of general housing conditions in Québec, and to foster the development and recognition of Québec's expertise in housing. The program includes subsidies to be granted to the SHQ and Immobilière SHQ. These agencies also receive funds from other sources for financing their activities.

This program's expenditure budget is increasing by \$19.0 million. This increase is mainly due to budgets allocated to the construction of housing under the AccèsLogis Québec and Affordable Housing Québec programs.

Program 8: Régie du logement

Under this program, the Régie du logement has resources available to make decisions about disagreements submitted to it by a party whose name appears on a lease for a housing unit, to inform citizens of their rights and obligations under a lease and to encourage reconciliation between renters and landlords. Moreover, the Régie du logement looks after the preservation of the stock of rental units in certain situations and, in these cases, assures the protection of tenants' rights.

This program's budget remains stable in 2006-2007 with respect to the level of expenditures in the previous fiscal year. In 2005-2006, the variance between the expenditure budget and probable expenditure, resulting from unanticipated expenditures, was accounted for by a budgetary transfer in the portfolio.

Capital budget

(thousands of dollars)

	2006-2007	2005-2006
Fixed Assets	10,776.3	6,945.3
Loans, Investments and Advances	—	10,581.5

The investments will allow the Department to carry out technological developments planned for the Department's enterprise architecture project aiming to develop the electronic delivery of government services and to modernize business processes. Furthermore, the investments will enable the updating of the Department's equipment.

As the temporary funding of transition committees created in accordance with the Act respecting the consultation of citizens with respect to the territorial reorganization of certain municipalities (2003, c. 14) ended in 2005, there is no funding allocated for "Loans, Investments and Advances".

Budget-funded agencies and extrabudgetary agency (thousands of dollars)

	Forecast 2006-2007		Probable 2005-2006	
	Agency expenditure budget	Portion funded by the Department	Agency expenditure budget	Portion funded by the Department
Budget-funded agencies				
Commission municipale du Québec	2,269.0	2,269.0	2,546.7	2,546.7
Régie du logement	14,672.6	14,672.6	14,485.7	14,485.7
Extrabudgetary agency				
Société d'habitation du Québec ¹	658,406.7	337,900.5	631,883.4	318,342.2

¹ The closing date of the Société d'habitation du Québec's fiscal year is December 31. Data in Volume III have been adjusted based on the government's fiscal year. The financial results in Volume IV are presented based on the agency's fiscal year. Revenue forecasts and expenditures for the agency's 2006-2007 fiscal year are therefore \$651.8 million.

Special Funds

Regional Development Fund (thousands of dollars)

	Forecast 2006-2007	Probable 2005-2006
Revenue	41,593.8	31,636.3
Expenditure	41,593.8	31,636.3
Surplus (deficit)	0.0	0.0
Investment	—	—
Total Staff Level (FTEs)	—	—

The Regional Development Fund provides for the financing of the operating expenses of the regional conferences of elected representatives as well as the specific agreements and other activities prioritized by the region. The Regional Development Fund consists of residual amounts either not yet paid or committed by the regional conferences of elected representatives, as well as the 2006-2007 budget allocation of \$29.6 million, of which \$28.1 million is from the Department's budget and \$1.5 million from the Ministère des Transports' budget.

AGRICULTURE, PÊCHERIES ET ALIMENTATION

HIGHLIGHTS

- ❑ \$16.8-million increase in the expenditure budget of the Minister's portfolio for 2006-2007 over the probable expenditure for 2005-2006, an increase of 2.6%.
- ❑ Maintenance of the \$305.0-million envelope allocated to the programs of La Financière agricole du Québec under the terms of the agreement between this agency and the Gouvernement du Québec.
- ❑ \$8.1 million more for the Refund of Property Taxes and Compensations to Agricultural Operations Program as promised by the Government.
- ❑ \$4.1-million increase in the budget to help agricultural enterprises meet the challenges of environmental protection and harmonious cohabitation on agricultural land.
- ❑ Availability of an additional \$1.2-million budget to pursue implementation of traceability of products of animal origin and \$1.2 million in special assistance for confinement of birds in poultry farms.
- ❑ Establishment of various financial assistance programs intended to support the development of promising niches, including use of unconventional energy sources in greenhouse agriculture, development of regional and niche products and, finally, consolidation of the artisanal and alcoholic beverages industry.

1. Presentation of the Minister's Portfolio

The mission of the Ministère de l'Agriculture, des Pêcheries et de l'Alimentation is to influence and support the growth of the Québec bio-food industry within a sustainable development perspective.

The Department's work supports the Government's core missions in four areas, namely:

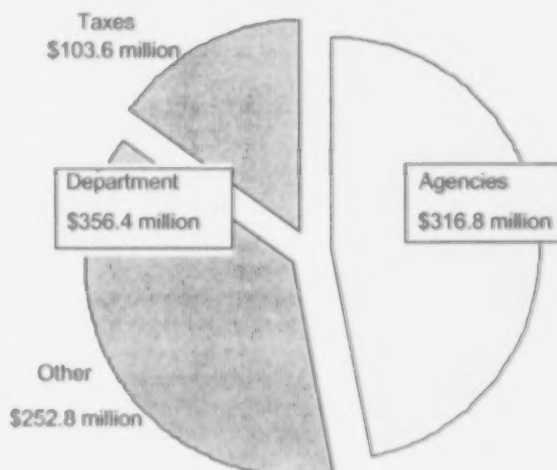
- Prosperity, as a key player in developing an economic sector found in every region;
- Health, by controlling the safety of food and animal health as well as environmental protection;
- Knowledge, through the educational programs offered on Institut de technologie agroalimentaire campuses and support for research, development, and technology transfers;
- Québec identity, by developing agri-food know-how and land use.

The Department devises and sees to the implementation of policies and programs necessary to the development of the agricultural and agri-food sectors, and of the commercial fisheries and aquaculture sector. Its duties relate to the production, processing, distribution, marketing, and consumption of bio-food products. To carry out its manifold mission, the Department is organized into divisions: Affaires régionales (including the Institut de technologie agroalimentaire), Agroenvironnement, de l'Alimentation (including the Centre québécois d'inspection des aliments et de santé animale), Affaires économiques, scientifiques et technologiques, Transformation alimentaire (Transformation Alimentaire Québec), Pêches et de l'Aquaculture commerciales and Services à la gestion.

In addition, three government agencies report directly to the Minister of Agriculture, Fisheries and Food. They each have their specific roles in applying the various instruments of Québec agricultural and agri-food policy as well as the policy on the fisheries and aquaculture sector. These agencies are: La Financière agricole du Québec, the Régie des marchés agricoles et alimentaires du Québec and the Commission de protection du territoire agricole du Québec.

2. Budgetary Choices

The budget is divided almost equally between the Department and agencies as shown in the adjacent pie chart. The bulk of the agencies budget, or \$305.0 million, is allocated to La Financière agricole du Québec, which administers financial risk management programs for farms. This budget is being maintained under the terms of the current agreement.



Regarding the Department's budget, the resources allocated to the Refund of Property Taxes and Compensations to Agricultural Operations Program increased by \$8.1 million to a total of \$103.6 million, in order to account for the inherent growth of the costs of this intervention. Moreover, 2006 will be a transition year for this program and work will continue all year long to concretize the points of the agreement entered into by the Government, the agricultural producers and the municipal unions on municipal taxation of farm property, which essentially should take effect in 2007.

The Department's other budgetary choices give priority to three strategic orientations related to economic and regional development of the bio-food industry, agri-environment, food quality and food safety. These choices focus on improving agriculture, agri-food, fisheries and aquaculture as part of a broader vision to develop a prosperous, diverse industry focused on added value, producing healthy food in an environment friendly manner, and supporting the development of Québec and its regions.

Orientation 1: To support bio-food economic development in partnership with the industry and government and regional players

The bio-food sector is facing hard times caused by poor conditions (bovine spongiform encephalopathy crisis, lower prices for farm produce, reduced net income, less advantageous exchange rate) compounded by more of a structural problem related to changes in the business environment (free trade, tougher market conditions, heavy debt load). In this context, the Department's interventions give priority to strengthening the factors that contribute to improved business competitiveness. This is especially important given that the bio-food sector is the source of the economic vitality of several Québec regions and offers interesting development potential, through the creation of added value based on distinctive products, development of regional food processing and diversification of agriculture and fisheries to serve promising market niches. Government actions must also be capable of supporting promising industry initiatives. In this context, the Department plans to focus its efforts on the following actions:

- Startup of regional advisory service networks for farm enterprises with the aim of improving access to specialty services, responding better to special regional conditions and accentuating networking and partnership;
- Implementation of a regional and niche product enhancement plan, including a new legislative framework and a financial support program;
- Pursuit of startup of Transformation alimentaire Québec, particularly through the finalization of agreements with the partners, with a view to ensuring coordination of government services to the food processing industry;
- Establishment of a financial assistance program intended to support consolidation of the artisanal and alcoholic beverages industry;
- Strengthening partnerships in the field of research and development as well as technology transfers;
- Maintaining its efforts in the realm of agricultural education through the Institut de technologie agroalimentaire;

- Continuing to support diversification and added value in the fisheries industry, including the development of aquaculture.

Orientation 2: To help agricultural and aquacultural producers meet the requirements of environmental protection and harmonious cohabitation on the territory

In recent years, Quebecers have become increasingly aware of environmental issues and sustainable development. The Department has made environmental protection an action priority, just as industry members have. This orientation, however, should be viewed from the standpoint of sustainable development capable of ensuring commercial viability. The Department is maintaining its efforts by focusing on the following planned actions:

- Implementation of the Department's agri-environmental strategy, including pursuit of the financial efforts under the Prime-Vert Program;
- Implementation of the freshwater aquaculture sustainable development strategy with the aim of reducing fish farm phosphorus discharges and relying on the Aquableu financial assistance program, among others;
- Implementation of the program promoting the use of unconventional energy sources more respectful of the environment in the greenhouse industry.

Orientation 3: To meet the new food safety and animal health needs by improving risk management tools

Consumers attach great importance to food quality and safety. This sensitivity has increased in the past few years due to major animal disease of food contamination episodes around the world. The occurrence of mad cow disease in Canada along with avian flu, in addition to recurring episodes of *E. coli* bacterial contamination, show that Canada and Québec are not immune to these risks. To prevent crises, keep them in check, and maintain consumer confidence, the Department is continuing its efforts to improve its management tools for swift intervention together with the federal officials concerned. The key actions under this orientation are as follows:

- Continuing the implementation of the food traceability initiative;
- Enhancing animal health risk management tools, including sustained efforts in the area of epidemiological surveillance;
- Establishment of a special poultry farm bird confinement program.

3. Budget Plan

Expenditure budget by program (thousands of dollars)

	2006-2007		2005-2006	
	Expenditure Budget (1)	Change (2)=(1)-(4)	Expenditure Budget (3)	Probable Expenditure (4)
1. Bio-food Company Development, Training and Food Quality	356,419.5	16,958.2	334,406.6	339,461.3
2. Government Agencies	316,806.3	(194.0)	316,793.5	317,000.3
Total	673,225.8	16,764.2	651,200.1	656,461.6
Total Staff Level (FTEs) (excluding special funds)	2,102	(34)	—	2,136

In 2006-2007, the portfolio's expenditure budget will be \$673.2 million, up \$16.8 million over the probable expenditure for the 2005-2006 fiscal year.

Program 1: Bio-food Company Development, Training and Food Quality

The purpose of this program is to develop potential and to improve technological performance related to the production, processing and preservation of bio-food products in an environmentally sound manner. Its purpose is also to train competent people in the field of agri-food.

The \$17.0-million increase is mainly explained by an \$8.1-million increase in the Refund of Property Taxes and Compensations to Agricultural Operations Program further to the Government's commitments, a \$4.1-million increase in the budget of the Prime-Vert program and the addition of \$1.2 million for the establishment of a special poultry farm bird confinement program. The amounts allocated to the food traceability initiative are also increased by \$1.2 million.

Program 2: Government Agencies

The purpose of this program is to promote the profitability of agricultural operations by providing them with adequate financing, to compensate for crop yield losses and to guarantee agricultural producers an annual income under certain terms and conditions. It also promotes the effective marketing of agricultural and food products and preservation of the vocation of arable land.

This program's appropriations consist primarily of a \$305.0-million subsidy to La Financière agricole du Québec. This assistance is the result of an agreement concluded with the agency in which the Minister of Agriculture, Fisheries and Food agrees to pay, for and to the benefit of La Financière agricole du Québec, an amount totaling \$2,135.0 million over a seven-year period beginning in 2001-2002. This money constitutes the predetermined budgetary envelope allocated to this agency by the Gouvernement du Québec.

Capital budget
 (thousands of dollars)

	2006-2007	2005-2006
Fixed Assets	18,870.8	18,564.4
Loans, Investments and Advances	500.0	500.0

In 2006-2007, the Department will have a capital budget of \$18.9 million. The Department is continuing to upgrade its assets, particularly by the construction of an Administrative Service Centre, including a research station, in Îles-de-la-Madeleine.

Budget-funded agencies and extrabudgetary agencies
 (thousands of dollars)

	Forecast 2006-2007		Probable 2005-2006	
	Agency expenditure budget	Portion funded by the Department	Agency expenditure budget	Portion funded by the Department
Budget-funded agencies				
Commission de protection du territoire agricole du Québec	8,700.6	8,700.6	8,694.3	8,694.3
Régie des marchés agricoles et alimentaires du Québec	3,627.9	3,105.7	3,566.5	3,041.5
Extrabudgetary agencies				
Bureau d'accréditation des pêcheurs et des aides-pêcheurs du Québec	197.0	—	210.0	—
Financière agricole du Québec	525,567.0	305,000.0	653,552.0	305,000.0
Fonds d'assurance-prêts agricoles et forestiers	9,187.0	—	5,157.9	—

CONSEIL DU TRÉSOR ET ADMINISTRATION GOUVERNEMENTALE

HIGHLIGHTS

- For the coming year, the efforts of the Secrétariat du Conseil du trésor will be oriented to supporting the Chair of the Conseil du trésor in her governance functions and in achieving the objectives set in the 2004-2007 Modernization Plan and in the 2004-2007 Human Resources Management Plan.
- Beginning with the 2006-2007 fiscal year, within the perspective of a quest for greater governmental efficiency, part of the operational responsibilities for human resources will be delegated to the Centre de services partagés du Québec (CSPQ), in application of section 102 of the Public Service Act (R.S.Q., c. F-3.1.1).
- Beginning with the 2006-2007 fiscal year, within the perspective of a quest for greater departmental efficiency, the Secrétariat entrusts part of its administrative services to the CSPQ.

1. Presentation of the Minister's Portfolio

The portfolio of the "Conseil du trésor et Administration gouvernementale" includes, for the purposes of this document, the activities of the Secrétariat and those of the Commission de la fonction publique. These organizations are presented separately, except in the budget plan where they are combined, in keeping with the budget structure approved by the Conseil du trésor for the 2006-2007 fiscal year.

Secrétariat du Conseil du trésor

The Secrétariat assists the Conseil du trésor and its Chair in their governance functions. It advises them in matters of management of resources and modernization of the State. Concerning its central agency role, the Secrétariat provides orientations to the departments and agencies on issues relating to the management of human, budgetary, material and information resources. The Secrétariat supports the Conseil du trésor and its Chair in order to:

- Prepare annual forecast expenditure budgets for the departments and agencies before the beginning of each fiscal year;
- Make appropriate decisions on the management of resources and the administrative organization of the State;
- Assist the government in its role as employer of public service personnel, regulator and coordinator of negotiations in the public and parapublic sectors;
- Make recommendations to the government on the requests and projects presented by the departments and agencies.

The Secrétariat also offers certain services to individuals and businesses. Thus, it provides information regarding ways of doing business with the government, and government management policies.

Commission de la fonction publique

The mission of the Commission de la fonction publique is to contribute, on behalf of the National Assembly, to guarantee equal access by all citizens to the public service, the competence of the persons recruited and promoted as well as the impartiality and fairness of the decisions made in matters of human resources management, by acting as an administrative tribunal and auditor.

By exercising its mission, the Commission contributes to the preservation of the fundamental principles of neutrality and equal access, specifically with respect to the optimal contribution of the various groups that make up Québec society, as well as the maintenance of ethical behaviour in human resource management. Indeed, by its actions, the Commission ensures that the decisions made by the managers in matters of human resources management are not only based on the law, but value ethical behaviour by employees or managers in the performance of their duties.

The Commission hears the recourses exercised in certain matters by members and executives of agencies and by public servants, verifies the impartiality and fairness of the decisions affecting them, enforces the laws and regulations relating to the recruiting and promotion system, rules on applications for certification of means of evaluation, produces studies, reports and formulates recommendations to the authorities, advises the Conseil du trésor when it decides to exempt a job or a job class from the provisions of the Public Service Act (R.S.Q., c. F-3.1.1) and reports to the Minister of Justice after

investigation in the circumstances prescribed in the Act respecting the Director of Criminal and Penal Prosecutions (R.S.Q., c. D-9.1.1).

2. Budgetary Choices

For the 2006-2007 fiscal year, the Secrétariat's priorities are to support the Chair of the Conseil du trésor in her governance functions. The Secrétariat thus made budgetary choices based on the priorities set out in the 2004-2007 Modernization Plan and in the 2004-2007 Human Resources Management Plan.

In relation to the government's intention to modernize the State, part of the operational responsibilities for human resources will be delegated to the CSPQ, beginning with the 2006-2007 fiscal year. From now on, it will render services paid by the Secrétariat regarding holding of recruiting competitions, evaluation and the support system for these operations. This choice involves a transfer of 66 FTEs to the CSPQ and a reallocation of appropriations, as well as changes to its administrative organization.

Moreover, beginning with the 2006-2007 fiscal year, still within the perspective of a quest for greater efficiency, the Secrétariat will also entrust the CSPQ with the management, maintenance and upgrade of its technological infrastructure, application and software currently in use. These services will be paid, which is why the Secrétariat is transferring 30 FTEs to the CSPQ.

The details of the variations in the different components of the Secrétariat's budget are presented in the section on the budget plan.

Orientation 1: Ensure rigorous management of expenditures and staff levels

Actions envisioned

- Oversee the budget allocations to the departments and agencies;
- Ensure follow-up of the plan to reduce the size of government;
- Develop a new subsidy management framework, in consultation with the departments concerned, which particularly incorporates regular evaluation of all transfer programs;
- Establish a capital expenditure management and monitoring framework, including information resources, particularly through a new preparation and authorization process for government-funded capital expenditure plans.

Orientation 2: Ensure implementation of the human resources management plan

Actions envisioned

- Pursue the development of the departmental and governmental workforce planning approach;
- Develop and implement a strategy aiming at a competency management approach;
- Table a bill amending the Public Service Act (R.S.Q., c. F-3.1);
- Pursue the establishment of an approach to implement a culture of recognition.

Orientation 3: Modernize the framework of relations between the State and the private sector

Action envisioned

- Extend the exercise of concerted action with partners at the regulatory level, pursuing the same objectives of standardization and simplification.

Orientation 4: Review the structures with a view to simplify and refocus them

Actions envisioned

- Implement the Report of the Groupe de travail sur l'examen des organismes du gouvernement for 2005-2006;
- Complete the study of the third group of public bodies.

Orientation 5: Upgrade the results-oriented management approach

Action envisioned

- Propose improvements aimed at sound management of the government administration in the wake of the Report on the implementation of the Public Administration Act (R.S.Q., c. A-6.01) tabled in the National Assembly by the Chair of the Conseil du trésor in December 2005.

Orientation 6: Review methods to meet government priorities

Actions envisioned

- Implement the action plan arising from the Department's workforce planning exercise;
- Review the methods with a view to optimizing the business processes, particularly in the fields of financial and material resources, following implementation of the integrated resources management business strategy known as SAGIR (Stratégie d'affaires en gestion intégrée des ressources).

Commission de la fonction publique

While assuming maintenance of current operations, the Commission de la fonction publique allocates its resources, as a priority, to improving the quality of service to the public and greater adherence of the organizations to its recommendations with a view to increasing the population's confidence in the public service. In particular, the Commission puts the emphasis on reducing its implementation times and on closer tracking of its recommendations and the actions arising from them.

Remuneration accounts for 86.0% of the Commission's forecast expenditures and nearly 90.0% of the human resources allocated to the performance of the operations arising from its mission. From year to year, the Commission maintains its choice of allocating as few resources as possible to its management, while maintaining a degree of autonomy compatible with its special responsibilities as an administrative tribunal and oversight agency.

3. Budget Plan

Expenditure budget by program

(thousands of dollars)

	2006-2007		2005-2006	
	Expenditure Budget (1)	Change (2)=(1)-(4)	Expenditure Budget (3)	Probable Expenditure (4)
1. Secrétariat du Conseil du trésor ¹	117,795.2	(402,541.1)	119,324.7	520,336.3
2. Commission de la fonction publique	3,378.8	96.0	3,376.2	3,282.8
3. Retirement and Insurance Plans	323,311.5	3,094.3	320,217.2	320,217.2
4. Contingency Fund	378,582.5	378,582.5	356,208.0	—
Total	823,068.0	(20,768.3)	799,126.1	843,836.3
Total Staff Level (FTEs) (excluding special funds)	540	(110)	—	650

Note: The Contingency Fund program has a provision that allows transfers to other government programs for which the probable expenditure is increased correspondingly. In this program, the probable expenditure is reduced due to such transfers.

¹ The probable expenditure for 2005-2006 includes an amount of \$390.0 million regarding the provision for pay equity.

Program 1: Secrétariat du Conseil du trésor

This program includes the expenditures intended to support the Conseil du trésor in its advisory role to the government on the management of the human, financial, material and information resources and in modernization of Québec's administrative processes. It also includes the expenditures related to the government functions performed by the Secrétariat in matters of staffing and recruitment. This program provides the financing for reconstruction programs for disaster areas following the ice storm of January 1998 and the flood of July 1996, as well as contributions by the government in its role as employer. This program also includes a provision for transferring between programs or portfolios any part

of an appropriation corresponding to the agreed-upon exchange value when goods are transferred between departments and agencies.

The 2006-2007 expenditure budget is \$402.5 million lower than the 2005-2006 probable expenditure. This decrease is mainly due to the recording in 2005-2006 of an amount of \$390.0 million for pay equity purposes and an amount of \$17.0 million in contributions of the government as employer.

Finally, an increase of \$3.2 million in the Disaster Funds is forecast in 2006-2007 to deal with the rise of interest rates.

Program 2: Commission de la fonction publique

This program includes the Commission's expenditures to allow it to verify and investigate human resources management, certify the means of evaluation, agree on the recourses provided by law, give opinions and issue recommendations to the competent authorities and report directly to the National Assembly.

The Commission's budget is established at a level essentially comparable to that of the previous year.

Program 3: Retirement and Insurance Plans

This program includes expenditures of \$318.9 million as government contributions to the retirement plans of judges and employees of government departments and budget-funded agencies, and \$4.4 million for group life insurance for public and parapublic sector employees. The expenditures related to the pension plans for the employees of the education and health and social services networks are found in the budgets of the departments concerned. In addition, the Pension Plan of Members of the National Assembly is included in the National Assembly expenditure budget.

The \$3.1-million increase in the expenditure budget mainly concerns the retirement plans. This variation results, on the one hand, from the salary indexing prescribed in the Act respecting the conditions of employment in the public sector (2005, c. 43) and, on the other hand, from the anticipated decrease in the public service staff level.

Program 4: Contingency Fund

The purpose of this program is to fund additional expenditures incurred by any government program. The total expenditures allocated to this program in 2006-2007 amount to \$378.6 million.

Capital budget

(thousands of dollars)

	2006-2007	2005-2006
Fixed Assets	259.1	768.0
Loans, Investments and Advances	375,100.0	367,924.5

The Secrétariat's capital budget is essentially composed of a provision of \$375.0 million for the "Loans, Investments and Advances" supercategory under the Contingency Fund Program. The purpose of this provision is to fund the temporary cash requirements of the departments and agencies, provided that the amounts so added are reimbursed from their appropriations envelope before the end of the fiscal year. This provision therefore has no effect on the expenditure forecast.

The capital budget has been reduced by \$0.7 million at the Secrétariat du Conseil du trésor in 2006-2007. On the other hand, the capital budget of the Commission de la fonction publique is increased by \$0.1 million, allocated to the replacement of its registrar's computer system.

Extrabudgetary agency

(thousands of dollars)

	Forecast 2006-2007		Probable 2005-2006	
	Agency expenditure budget	Portion funded by the Department	Agency expenditure budget	Portion funded by the Department
Agence des partenariats public-privé du Québec	7,050.3	—	3,224.5	2,630.0

For the 2005-2006 fiscal year, an amount of \$2.6 million has been taken from the consolidated revenue fund for the application of the Act respecting the Agence des partenariats public-privé (R.S.Q., c. A-7.002). Moreover, an amount of \$0.6 million has been forecast for the hiring of external consultants dedicated to the performance of specific projects of the departments and agencies. This expenditure will be billed in its entirety to the departments and agencies concerned.

For the 2006-2007 fiscal year, the Agence's total expenditure budget will come from revenues derived from billings to the departments for advisory services and for the performance of specific mandates. The expenditure budget includes an amount of \$2.8 million for the hiring of external consultants dedicated to the performance of specific projects of the departments and agencies.

Special Funds

Information Technology Fund of the Conseil du trésor

(thousands of dollars)

	Forecast 2006-2007	Probable 2005-2006
Revenue	1,443.0	1,443.0
Expenditure	1,443.0	1,443.0
Surplus (deficit)	0.0	0.0
Investment	5,853.6	2,731.3
Total Staff Level (FTEs)	—	—

The purpose of the forecast investments is to maintain the network and office automation infrastructure. Additional efforts will be allocated to the development of information systems and management tools. Investment in backup of certain existing systems is also forecast. The Fund's revenues are forecast in Program 1 of the "Conseil du trésor et Administration gouvernementale" portfolio.

Disaster Assistance Fund for Certain Areas Affected by the Torrential Rains

(thousands of dollars)

	Forecast 2006-2007	Probable 2005-2006
Revenue	3,760.0	(4,410.0)
Expenditure	3,760.0	4,410.0
Surplus (deficit)	0.0	0.0
Investment	3,110.0	1,543.0
Total Staff Level (FTEs)	—	—

This Fund is allocated to cover exceptional expenditures of a department or agency as the result of damage caused by torrential rains in July 1996, mainly in the Saguenay-Lac-St-Jean region. The Fund is also used to finance the reconstruction and economic recovery program in these regions.

One of the Fund's objectives is to centralize all costs related to the disaster to facilitate the production of requests for advances and claims that the Ministère de la Sécurité publique submits to the Government of Canada for the portion of costs that the federal government covers under its assistance program, which provides for reimbursement of up to 90.0% of eligible expenditures.

The forecast expenditures for 2006-2007 are essentially assumed from the appropriations recorded in Program 1 of the "Conseil du trésor et Administration gouvernementale" portfolio. Those expenditures consist primarily of financial expenses charged to the Fund. Moreover, the amount indicated for the capital budget concerns the development of infrastructure intended to regularize the peak flows of the Lac Kénogami watershed and certain expenditures intended to finalize the first phase of implementation of the improved forward-looking management system.

Since the 1996-1997 fiscal year, the expenditures charged to this Fund have amounted to \$493.9 million. The share assumed by the Gouvernement du Québec is \$145.8 million, while the Government of Canada's share is \$348.1 million.

Fund in respect of the Ice Storm

(thousands of dollars)

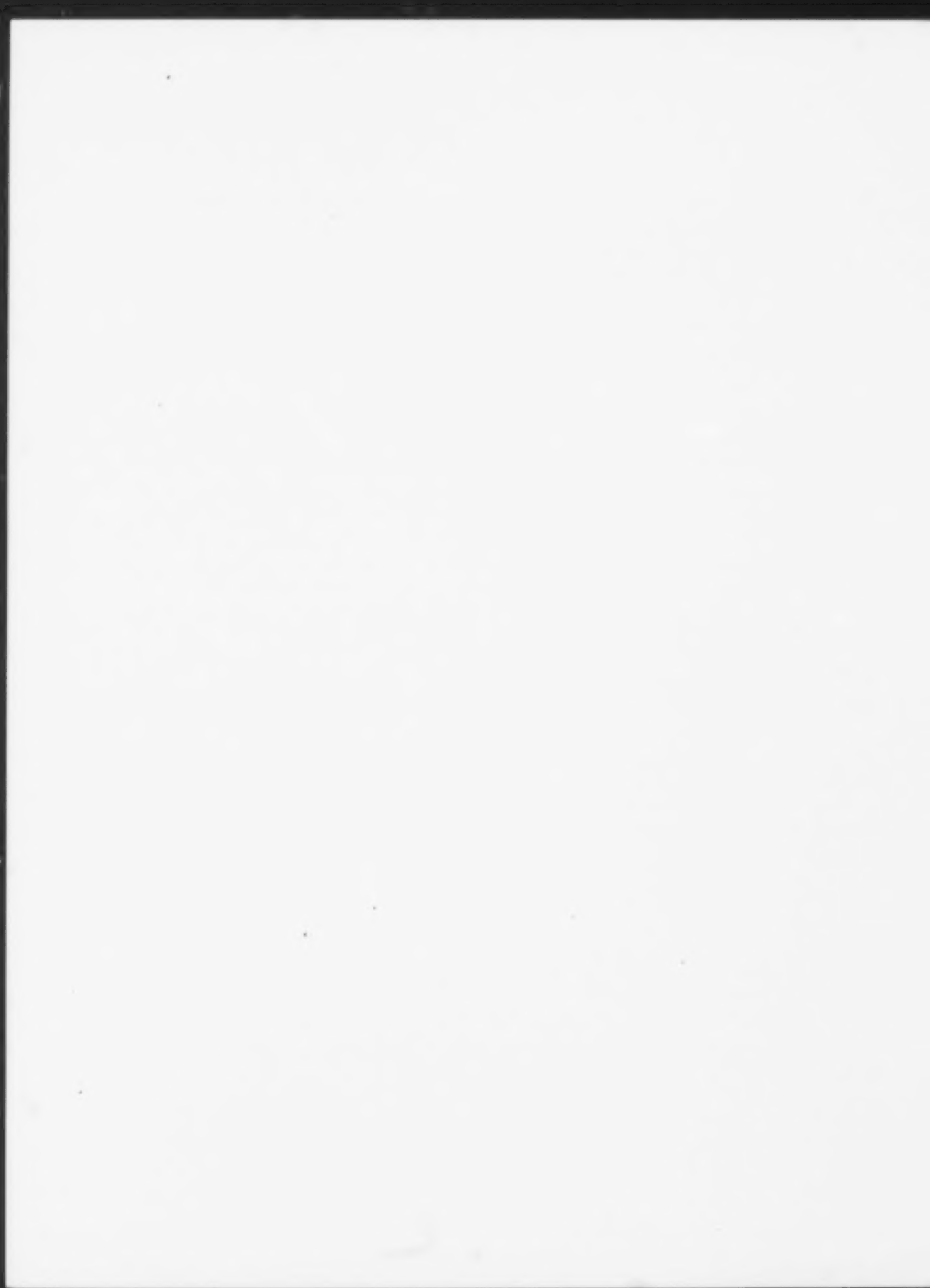
	Forecast 2006-2007	Probable 2005-2006
Revenue	27,850.0	27,080.0
Expenditure	27,850.0	27,080.0
Surplus (deficit)	0.0	0.0
Investment	—	—
Total Staff Level (FTEs)	—	—

The Fund in respect of the Ice Storm is used to centralize all the information relating to that disaster, which occurred from January 5 through 9, 1998, primarily affecting the Montérégie and Montréal regions. It also supports the production of requests for advances and claims for reimbursement that the Ministère de la Sécurité publique presents to the federal government for the portion of those costs that it assumes under its disaster assistance program, which provides for reimbursement of up to 90.0% of eligible expenditures.

The expenditures that are reimbursed by the federal government are recorded separately in a defined-purpose account. This account allows the deposit of funds coming from the Government of Canada regarding the disaster.

For the Gouvernement du Québec, the budgetary allocation comes in part from the Ministère des Ressources naturelles et de la Faune, namely \$24.4 million per year up to the 2014-2015 fiscal year. The purpose of this allocation is to respond to the commitment of the Gouvernement du Québec to pay Hydro-Québec annual compensation for the restoration of the network. The amounts relating to other expenditures charged to the Fund, i.e. \$3.5 million for 2006-2007 and \$2.7 million for 2005-2006, are recorded under Program 1 of the "Conseil du trésor et Administration gouvernementale" portfolio. Those expenditures mainly represent financial costs charged to the Fund.

Since the 1997-1998 fiscal year, the expenditures charged to this Fund have amounted to \$1,165.3 million. Of that amount, \$573.8 million represents the portion assumed by the Gouvernement du Québec and the remainder, i.e. \$591.5 million, has been assumed by the Government of Canada.



CONSEIL EXÉCUTIF

HIGHLIGHTS

- ❑ The Ministère du Conseil exécutif is primarily responsible for supporting decision-making by government bodies. As such, it provides analysis, advice and coordination for the Premier and Cabinet. It also handles priority issues, which it coordinates under a special mandate from the Government.
- ❑ In keeping with its mission, the Ministère du Conseil exécutif will support development of the Government's vision as well as consistency and effectiveness in its actions. In 2006-2007 the Department will provide all the support necessary to determine the Government's action priorities. It will ensure their implementation by different departments while emphasizing consistency among the actions undertaken and providing the coordination required for that purpose.
- ❑ Fiscal year 2006-2007 will also bring implementation of the reorganization of government coordination. In early 2006 the Government asked the Secrétariat à la communication gouvernementale to coordinate and plan various departmental communication activities. The purpose of this is to achieve greater consistency in government communication, involve the departmental heads of communication more closely in the process of developing government initiatives such as policies, strategies and action plans, and provide them with support in fulfilling their mandates and making the development and implementation of communication activities more flexible.
- ❑ Further to the orientation aimed at strengthening French speaking communities in Canada, a new policy on Francophones within Canada will be tabled and implemented in fiscal 2006-2007; this undertaking is also part of the review of all government programs.
- ❑ The Secrétariat aux affaires autochtones will continue coordinating government actions and project funding. This primarily takes the form of negotiating agreements, distributing appropriate information, and supporting Amerindian and Inuit social, economic and cultural development.

- ❑ A Forum on the Social and Economic Development of the First Nations, with the participation of the Inuit will be held in the fall of 2006, thereby fulfilling a commitment made by the Québec government at the Forum des générations.
- ❑ The 2006-2009 Youth Action Strategy will be implemented during the year. By means of a series of measures, the strategy will encourage youth involvement in its success. One of its objectives is to achieve greater complementarity and consistency among youth services in Québec.
- ❑ In spring 2005, the Minister responsible for the Reform of Democratic Institutions and Access to Information tabled a motion in the National Assembly to create a Special Committee on the Election Act (R.S.Q., c. E-3.3). In the fall 2005, the Special Committee on the Election Act held special hearings; this past winter, it undertook a general public consultation in 16 cities across Québec and by videoconferencing. A Bill encompassing the amendments made following the parliamentary committee hearings is expected to be tabled in the National Assembly in 2006.
- ❑ In September 2005, the National Assembly Committee on Culture held public hearings on Bill 86, an Act to amend the Act respecting access to documents held by public bodies and the protection of personal information and other legislative provisions. The Minister in charge then tabled two drafts of a government policy on the distribution of information and the protection of personal information. The Bill is expected to undergo detailed study and be adopted in 2006.

1. Presentation of the Minister's Portfolio

The Department's mission is to:

- Support development of the Government's vision as well as the consistency and effectiveness of its actions;
- Bear responsibility for youth, Canadian intergovernmental affairs, Canadian Francophonie, Aboriginal affairs, the reform of democratic institutions, access to information and the protection of personal information;
- the Secrétariat aux affaires intergouvernementales canadiennes advises the Minister for Canadian Intergovernmental Affairs, Francophones within Canada, the Agreement on Internal Trade, the Reform of Democratic Institutions and Access to Information in his mission of ensuring respect for Québec's constitutional powers, the integrity of its institutions, protection and promotion of its interests in dealings with the federal and other provincial and territorial governments, as well as strengthening French-speaking communities in Canada;
- the mission of the Secrétariat aux affaires autochtones is to assist the Minister for Aboriginal Affairs with coordinating government action on Native matters and the establishment of harmonious relations and a tripartite partnership of the government, Native peoples, and the general public;
- the Secrétariat à la jeunesse, a responsibility of the Premier, coordinates and ensures that all Government actions related to youth are consistent and complementary. It also consults and supports leading youth groups in an effort to encourage young people to participate actively in Québec society;
- the mission of the Secrétariat à la réforme des institutions démocratiques et à l'accès à l'information is to support the actions of the Minister in charge of this portfolio with legislation of an electoral and parliamentary nature, as well as with the latter's responsibilities related to exercising the right to access to information and protecting personal information.

2. Budgetary Choices

Conseil exécutif support and advice for consistency and efficient coordination of Government actions

Shared vision and priorities

Funding in the amount of \$11.8 million is earmarked to support decision-making by government bodies. In this respect, the Department will provide studies, advice and coordination. It will also update Government priorities and monitor their deployment.

Objectives:

The Government's vision and action priorities have to be implemented with an ear to the public's needs and concerns. Once action priorities have been determined, it has to be ensured that they materialize in the actions of government departments and agencies.

The implementation of all Government priorities, including modernization, must be based on senior public service characterized by a high level of integrity and performance.

Actions envisioned

- Implement the Government's vision and action priorities while ensuring their consistency with policy;
- Foster effective implementation of the priorities and issues the Government considers strategic;
- Continue the coordination efforts of departmental coordinating committees;
- Undertake government actions to fulfill promises made at the Forum des générations;
- Contribute to modernization of the State, particularly through further improvements to government corporation governance and by easing the regulatory and administrative burden on individuals and enterprises;
- Encourage senior officials to contribute to the realization of Government's priorities and support their role in introducing sound management based primarily on the values of ethics and integrity.

Government Communication

The amount of \$16.3 million is budgeted for coordinating government communication.

Objective:

To improve the consistency and coordination of government communication.

Action envisioned

- Bring personnel specialized in various fields of communication at various government departments into the Secrétariat à la communication gouvernementale.

Canadian Intergovernmental Affairs

Protection and promotion of Québec's interests

A budget of \$8.5 million will be allocated for promoting Québec's interests and respect for its powers within the Canadian federation.

Objectives:

Foster respect in sharing jurisdiction and the principles of federalism, including equality between the levels of government and the fiscal balance.

Foster harmonious relations between the two levels of government in Canada, as well as evolution of the Canadian federation towards a federal system open to asymmetry and favourable towards provincial autonomy and the flourishing of unique identities.

Develop, in association with the departments concerned, Québec's position on the actions of governments in the Canadian federation that have an intergovernmental impact.

Actions envisioned

- Step up negotiations between Québec and Ottawa on sectorial issues;
- Work out Québec's position on federal and provincial/territorial actions with an intergovernmental impact.

Strengthening French speaking communities in Canada

The amount of \$2.5 million is budgeted for strengthening French speaking communities in Canada.

Objective:

Encourage Québec and other French-speaking Canadians and Acadians to get to know each other better.

Action envisioned

- Review Québec's policy on Canada's French-speaking and Acadian communities.

Native Affairs***Fulfilment and continuity of financial commitments to Aboriginal nations and communities***

A \$139.5-million budget will be allocated for pursuing the Government's coordinated efforts towards the socioeconomic development of Aboriginal nations and communities.

Objective:

Support the development of Aboriginal nations and their communities.

Actions envisioned

- Organize a Forum on the Social and Economic Development of the First Nations, with the participation of the Inuit;
- Ensure fulfilment of the commitments made in development agreements with Aboriginal nations.

Aboriginal partnerships and initiatives

Appropriations totalling \$22.0 million are allocated towards funding Aboriginal partnerships and initiatives.

Objective:

Help build strong, fully developed Native communities within Québec society.

Action envisioned

- Support projects that further the socioeconomic development of Aboriginal nations with respect for their identities, rights and characteristics.

Youth

Youth Action Strategy

The 2006-2009 Youth Action Strategy will be implemented this year. In addition to transfer appropriations totalling \$5.2 million, a \$42.0-million defined-purpose account will primarily be used to cover part of its funding. The strategy aims to improve the health and well-being of youth, foster their educational success, help them enter the job market, enhance their role within society, and provide them with better support.

Objective:

Implement the Youth Action Strategy.

Improve interdepartmental coordination on youth issues.

Actions envisioned

- Coordinate the work of the interdepartmental committee responsible for the Youth Action Strategy;
- Coordinate the work for the committee of Youth Action Strategy partners made up of representatives of groups that work with or represent youth;
- Implement, in association with Strategy partners, the measures it contains;
- In cooperation with the departments concerned, ensure more service continuity. This means:
 - cutting the red tape involved in youth access to a service;
 - making some services accessible or more accessible to youth; this involves eliminating or reducing periods of uncertainty and administrative delays as much as possible;
 - easing the transition of young people from one program or service to another;
 - enhancing the complementarity of measures and programs.

Défi de l'entrepreneuriat jeunesse

The Secrétariat à la jeunesse will allocate \$0.4 million for the final year of the three-year action plan announced in February 2004. Also, a \$1.5 million defined-purpose account will be used to top up the sources of funds for the Défi de l'entrepreneuriat jeunesse.

Objective:

Foster development of a genuine entrepreneurial culture among Québec youth and promote its values.

Actions envisioned

- Coordinate implementation and deployment of the activities and measures of Year 3 of the action plan in association with the various Défi de l'entrepreneuriat jeunesse partners and Québec entrepreneurship network, primarily by developing teaching materials, supporting school and extracurricular activities, organizing training workshops for young entrepreneurs, and organizing a network of entrepreneurship champions;
- In addition to publicizing the contents of the action plan and promoting the Government's strategy, a review of the first three-year plan will be carried out at the end of the fiscal year.

Reform of Democratic Institutions and Access to Information**Reform of Democratic Institutions**

A budget of \$1.0 million is earmarked to support implementation of the Government's efforts to reform democratic institutions.

Objective:

Review the voting system and means of encouraging the exercise of voting rights.

Action envisioned

- In 2006, submit a Bill on the Election Act (R.S.Q., c. E-3.3) to the Government for tabling in the National Assembly.

Commission d'accès à l'information

A \$4.1-million budget has been allocated for the Commission to carry out its various responsibilities.

Objective:

Carry out the various aspects of its mandate efficiently and diligently, particularly in adjudicating requests to review or look into disagreements, as well as in overseeing and controlling access to documents held by public bodies as well as the protection of personal information held by public bodies and enterprises.

Action envisioned

- Within the framework of the laws it enforces, approve agreements on the exchange of personal information signed by public bodies, serve notice of bills of law, regulations and other government projects with an impact on access to documents of public bodies or the protection of personal information, process requests for access to documents held by public bodies that it receives as well as those made as recourse pursuant to the Act respecting the protection of personal information in the private sector (R.S.Q., c. P-39.1). The Commission d'accès à l'information also conducts audits or investigations to ensure compliance with the legislation it is required to enforce. Finally, strengthen its role following the passage of Bill 86.

Access to information and the protection of personal information

Objective:

Help departments and agencies apply the law.

Actions envisioned

- Complete the five-year review process and follow up on approved proposals for changes to the procedures for accessing and protecting personal information, as well as Commission d'accès à l'information operations;
- The Committee on Culture will undertake a detailed study of Bill 86, after which it will be submitted to the National Assembly for passage.

3. Budget Plan

The 2006-2007 expenditure budget totals \$265.0 million, or \$38.9 million more than the probable expenditure in fiscal 2005-2006.

Expenditure budget by program (thousands of dollars)

	2006-2007		2005-2006	
	Expenditure Budget (1)	Change (2)=(1)-(4)	Expenditure Budget (3)	Probable Expenditure (4)
1. Lieutenant-Governor's Office	857.5	—	857.5	857.5
2. Support Services for the Premier and the Conseil exécutif	70,192.0	18,113.5	85,068.9	52,078.5
3. Canadian Intergovernmental Affairs	11,999.7	70.7	11,696.6	11,929.0
4. Native Affairs	167,068.8	21,620.6	165,562.6	145,448.2
5. Youth	9,255.6	(759.4)	10,247.9	10,015.0
6. Reform of Democratic Institutions and Access to Information	5,663.3	(156.2)	5,781.5	5,819.5
Total	265,036.9	38,889.2	279,215.0	226,147.7
Total Staff Level (FTEs) (excluding special funds)	715	(3)	—	718

Note: The program Support Services for the Premier and the Conseil exécutif has a provision that allows the transfer of funds to other government programs for which the probable expenditures are correspondingly increased. Probable expenditure in this program is decreased due to such transfers.

Program 1: Lieutenant-Governor's Office

This program enables the Lieutenant-Governor to fulfill the administrative and representation duties associated with the position.

Program 2: Support Services for the Premier and the Conseil exécutif

The purpose of this program is to provide the Premier and the Conseil exécutif with advisory services and support, and ensure the smooth running of the activities essential to the meetings of the Cabinet. This program consists of the following elements:

- Office of the Premier;
- Secrétariat général and Greffe of the Conseil exécutif;

- Direction générale de l'administration;
- Indemnities for the Executive;
- Secrétariat à la communication gouvernementale;
- Provision to increase, with the approval of the Conseil du trésor, any appropriation for the realization of government communication projects.

The difference between the 2006-2007 expenditure budget and the 2005-2006 probable expenditure is mainly due to management of the provision for carrying out government communication projects, which involved the transfer of appropriations to other government programs.

Program 3: Canadian Intergovernmental Affairs

This program ensures coordination of the Gouvernement du Québec's relations with the federal government and the governments of other Canadian provinces and territories. It consists of the following elements:

- Office of the Minister for Canadian Intergovernmental Affairs, Francophones within Canada, the Agreement on Internal Trade, the Reform of Democratic Institution and Access to Information;
- Secrétariat aux affaires intergouvernementales canadiennes;
- Representation of Québec in Canada;
- Intergovernmental and Francophone Co-operation.

Program 4: Native Affairs

This program ensures the establishment and maintenance of harmonious relations with the Native nations and communities, and fosters their development within Québec society.

The increase in the 2006-2007 expenditure budget over the 2005-2006 probable expenditure is partly due to the fact that the land-transfer agreement between Mistissini and Oujé-Bougoumou was not executed in 2005-2006 (\$10.0 million). In addition, as of fiscal 2006-2007, the Secrétariat aux affaires autochtones will manage the budget allocated for general funding of Northern villages (\$9.5 million).

Program 5: Youth

The purpose of this program is to coordinate government action on youth and provide support services to the Premier, who assumes direct responsibility for youth dossiers. It consists of the following elements:

- Secrétariat à la jeunesse;
- Conseil permanent de la jeunesse.

The difference between the 2006-2007 expenditure budget and the 2005-2006 probable expenditure stems from the fact that measures planned under the 2006-2009 Youth Action Strategy will be funded in part by a defined-purpose account in the amount of \$42.0 million in 2006-2007.

Program 6: Reform of Democratic Institutions and Access to Information

This program aims to support efforts of the Minister for Canadian Intergovernmental Affairs, Francophones within Canada, the Agreement on Internal Trade, the Reform of Democratic Institution and Access to Information in developing and implementing government projects to reform democratic institutions and exercise access-to-information and protection-of-personal-information rights. It consists of the following elements:

- Reform of Democratic Institutions;
- Commission d'accès à l'information;
- Support for access to information and the protection of personal information.

Capital budget

(thousands of dollars)

	2006-2007	2005-2006
Fixed Assets	877.6	877.6
Loans, Investments and Advances	106.5	106.5

The Department's capital budget amounts to \$1.0 million. It includes the budget anticipated for the acquisition of information technology equipment necessary for current operations.

Budget-funded agencies

(thousands of dollars)

	Forecast 2006-2007		Probable 2005-2006	
	Agency expenditure budget	Portion funded by the Department	Agency expenditure budget	Portion funded by the Department
Commission d'accès à l'information	4,144.8	4,144.8	4,191.8	4,191.8
Conseil permanent de la jeunesse	706.6	706.6	705.9	705.9

CULTURE ET COMMUNICATIONS

HIGHLIGHTS

- ❑ The development and implementation of measures to increase private investment and diversify the sources of funds for culture and communications, including the Placements culture program.
- ❑ Continuation of the work of creating a permanent residency at the Conservatoire de musique et d'art dramatique de Montréal and a world-class concert hall for the Orchestre symphonique de Montréal within a context of public-private partnership.
- ❑ Implementation of the actions called for by the Department's modernization plan:
 - Introducing the new offer of services and system for awarding financial aid;
 - Putting the Service de soutien aux institutions muséales et des cellules régionales d'expertise en muséologie into operation.
- ❑ Application of the Act respecting the Conservatoire de musique et d'art dramatique du Québec (R.S.Q., c. C-62.1) so as to ensure the institution's survival and provide it with a management framework better suited to its mission.
- ❑ Departmental coordination and contribution to the government's action plan for ratification and effective implementation of the Convention on the Protection and Promotion of the Diversity of Cultural Expressions.
- ❑ Implementation of actions to foster the development of culture and communications in every region of Québec within the framework of the government plan for regional and municipal autonomy.
- ❑ Establishment of a modernization plan for Télé-Québec designed to ensure its survival and focus its activities on its primary mission: programming.
- ❑ Renewal, in fiscal 2006-2007, of special funding for certain museums in financial difficulty as well as aid for specialized training in music and dance.

1. Presentation of the Minister's Portfolio

The mission of the Ministère de la Culture et des Communications, which is supported by agencies and government corporations reporting to the Minister, is to encourage the affirmation, expression and democratization of culture and the development of communications in Québec, and to promote them at an international level. The Department's objective is to stimulate, in cooperation with agencies and government corporations reporting to the Minister, the vitality of Québec's culture, arts and citizens, all of which are at the heart of our identity.

The Department's action is directed at the public as a whole, as well as at the groups and individuals whose activity takes place in one of the phases in the production process in culture and communications.

In the realm of culture, the Department, agencies and government corporations are active in the following fields: museology, archive administration and heritage, the arts (music, song, dance, theatre, visual arts, circus arts, multidisciplinary arts and media arts), literature, libraries, cultural industries (film, television production, recording, variety shows, arts and crafts, publishing), architecture and cultural recreation. For communications, the Department, agencies and government corporations exercise their duties in the following sectors: the media (print media, radio, television, advertising), audiovisual, telecommunications, television broadcasting, multimedia and communications.

Charter of the French Language

The French language is at the heart of Québec's identity.

The Minister of Culture and Communications is responsible for the Charter of the French Language. It is assisted in this by the Secrétariat à la politique linguistique and three agencies: the Office québécois de la langue française, the Conseil supérieur de la langue française and the Commission de toponymie.

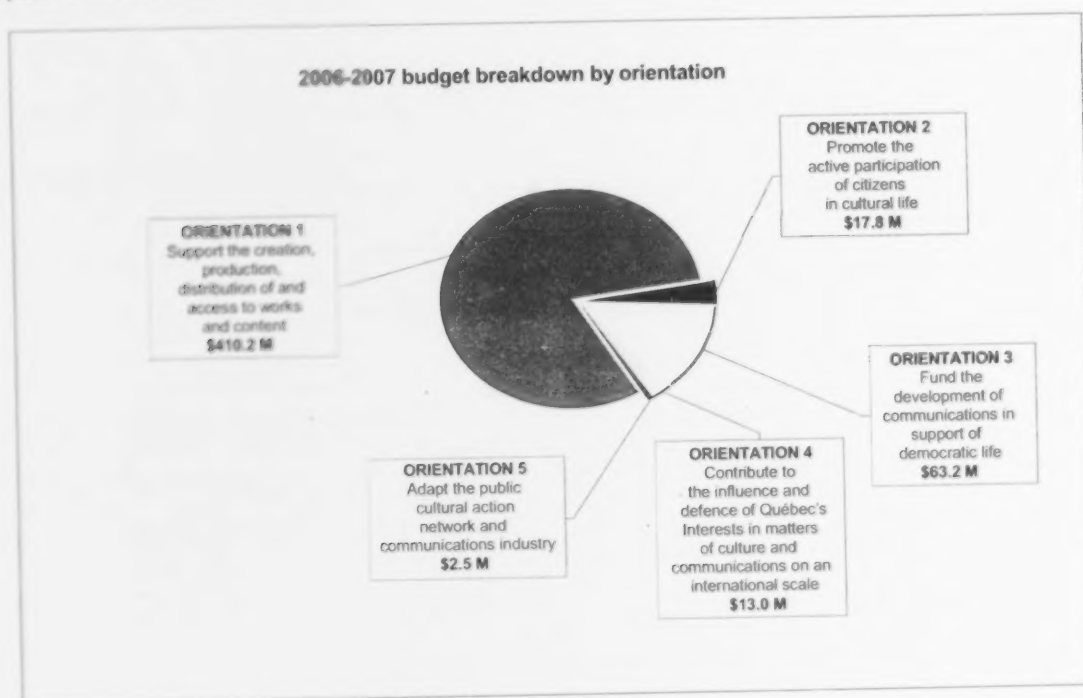
2. Budgetary Choices

Culture et Communications

The Department's first means of intervention is related to the orientations and legislative and regulatory activities inherent to its mission. Another means of intervention involves developing and sustaining effective inter-departmental and inter-governmental co-operation.

The Department also plays a major role in planning and property development in the culture and communications sector. The Department also places great focus on developing partnerships (municipalities, regional county municipalities and the education sector).

The diagram below summarizes the orientations in the 2005-2008 Strategic Plan with respect to departmental activities¹:



In other respects, the management of several financial assistance programs is entrusted to government corporations, which must administer them in compliance with the orientations provided to them by the Minister each year. Significant funds from the departmental portfolio are thus allocated to government corporations. Consequently, the strategic objectives and key actions of government corporations are not included in this plan, seeing as these are the responsibility of the corporations themselves.

Orientation 1: Support the creation, production, distribution of and access to works and content

Culture is expressed through creation, production, promotion and marketing of works and cultural products by artists as well as cultural and communication organizations and industries. It also takes the form of public access to cultural creation and content as well as cultural institutions such as museums, movie theatres, public libraries and professional training schools.

¹ This budget breakdown by orientation does not include the operating costs of the Department, the Conseil des arts et des lettres du Québec, the Société de développement des entreprises culturelles, the Commission des biens culturels du Québec and the Commission de reconnaissance des associations d'artistes et des associations de producteurs.

In total, the Department will allocate \$410.2 million for this orientation in 2006-2007. A substantial portion of that amount is allotted to government corporations:

- \$67.0 million of the \$71.9 million allocated to the Conseil des arts et des lettres du Québec in the form of transfer credits;
- \$40.3 million of the \$43.9 million allocated to the Société de développement des entreprises culturelles in the form of transfer credits;
- \$16.4 million is allocated to the Société de la Place des Arts de Montréal, and \$4.6 million to the Société du Grand Théâtre de Québec;
- \$73.2 million is allocated to the Bibliothèque et Archives nationales du Québec;
- \$21.9 million is allocated to the Musée de la civilisation, \$14.0 million to the Musée national des beaux-arts du Québec and \$8.5 million to the Musée d'art contemporain de Montréal.

In addition to the allocations for government corporations, the Department will spend \$164.3 million on this orientation. Departmental efforts will focus in particular on access to and usage of public libraries, as well as expanding the services provided. The Department will also endeavour to ensure the survival of the Conservatoire de musique et d'art dramatique du Québec and provide it with a management framework better suited to its mission. Finally, it will continue its efforts to strengthen museum partnerships so as to enhance the services they offer.

Actions envisioned

- Provide the public with a wide range of publications and books through libraries;
- Pool and network library resources;
- Apply the Act respecting the Conservatoire de musique et d'art dramatique du Québec;
- Implement the support service for museums;
- Set up regional cells of museological expertise in two trial regions of Québec;
- Allocate \$5.0 million in special aid in 2006-2007 for certain museums in financial difficulty.

Aside from these strategic objectives of a budgetary nature, the Department will pursue its efforts to provide government leadership in the area of developing and implementing a range of measures to improve the socioeconomic status of artists.

Orientation 2: Promote the active participation of citizens in cultural life

Living culture has its roots in the public. Access to cultural creations and content, the cultivation of audiences as well as public awareness of and involvement in the arts, culture and communications are major issues in which the Department intends to intensify its efforts in the years ahead. Schools and municipalities, for example, are key partners in this regard. Whether their actions are in their own areas or through partnerships, this automatically improves the quality of life for the public.

The Department's action is intended to foster active participation by the public throughout Québec in all phases of the cultural chain. For this, the Department's efforts will be organized around four strategic objectives. The first is to increase the number of students in pre-school and primary and secondary public and private schools participating in artistic and cultural activities. The second is to expand the public reached through a partnership agreement. The third objective will be to strengthen Québec City's cultural influence as the capital, and the fourth to reinforce Montréal's role as a hub of Québec culture in being a world city and cultural centre with a French character.

Actions envisioned

- Support the implementation of cultural activities and the realization of regional projects, especially through the Culture in Schools program;
- Negotiate and sign partnership agreements throughout Québec;
- Follow up on the cultural development agreement with Québec City;
- Follow up on the cultural agreement with Montréal;
- Allocate \$1.0 million in 2006-2007 for special aid for specialized training in music and dance.

Aside from the strategic objectives that fall within the framework of this orientation, the Department also plans to initiate, together with its partners and the communities concerned, a project aimed at creating closer ties between culture and education so as to increase youth awareness of and involvement in culture.

The amount of \$17.8 million will be budgeted for this orientation in 2006-2007.

Orientation 3: Fund the development of communications in support of democratic life

In recent years in Québec, like elsewhere in the world, there is a trend towards increased concentration in media ownership. Access to diversified local information is a strategic issue for the democratic and economic vitality of regions and local communities. The Department will pursue its efforts at ensuring access to diversified local and regional information throughout Québec by means of community media.

Action envisioned

- Support community media and follow up on the action priorities adopted subsequent to the tabling of the report from the Comité directeur sur les médias communautaires.

In 2006-2007, the Department plans to invest \$63.2 million in actions that fall under this orientation. Of that total, \$59.8 million is budgeted for Télé-Québec.

Orientation 4: Contribute to the influence and defence of Québec's interests in matters of culture and communications on an international scale

The influence and development of international markets with respect to culture and communications, combined with the defence of diversity of cultural content and artistic expression, are important strategic issues for the Department. The Department will continue its efforts to create favourable conditions for holding on to gains and developing markets, particularly in America.

Actions envisioned

- Participate in missions, major international showcases, and market development activities;
- Carry out structuring projects to strengthen Québec's influence within the scope of international cooperation agreements;
- Increase the number and diversity of projects for promoting culture abroad in strategic territories;
- Update the strategy focused on exporting and increasing the scope of Québec culture, in cooperation with the Conseil des arts et des lettres du Québec and the Société de développement des entreprises culturelles.

In addition to these actions of a budgetary nature, the Department will sustain its efforts towards ratification and effective implementation of the Convention on the Protection and Diversification of Cultural Expressions.

For 2006-2007, the Department is budgeting \$13.0 million for this orientation.

Orientation 5: Adapt the public cultural action network and communications industry

The Government's main objective in the context of modernizing its services is to make them more efficient, to improve their quality and adapt them to the real needs of the public. The Department will therefore continue its work on introducing a new offer of services in line with the goals of e-Government. It will intensify its efforts to increase the level of investment in culture through diversification of the sources of income of agencies and institutions. Finally, within the context of the government plan for regional and municipal autonomy, the Department will take action to foster the development of culture and communications in every region of Québec.

Actions envisioned

- Set up the computer system and administrative processes required for electronic delivery of financial aid services;
- Develop and implement measures to increase private investment and diversify sources of funds, particularly through the Placements culture program;
- Fulfill the Department's commitments in response to regional conferences of elected representatives proposals for adapting departmental standards and programs to regional and local characteristics;

— Undertake regional diagnostics.

Alongside the strategic objectives of a budgetary nature described above, the Department will oversee Télé-Québec's modernization plan. It will also produce a departmental action plan on shared services as part of host of government orientations aimed at integrating and streamlining administrative support services.

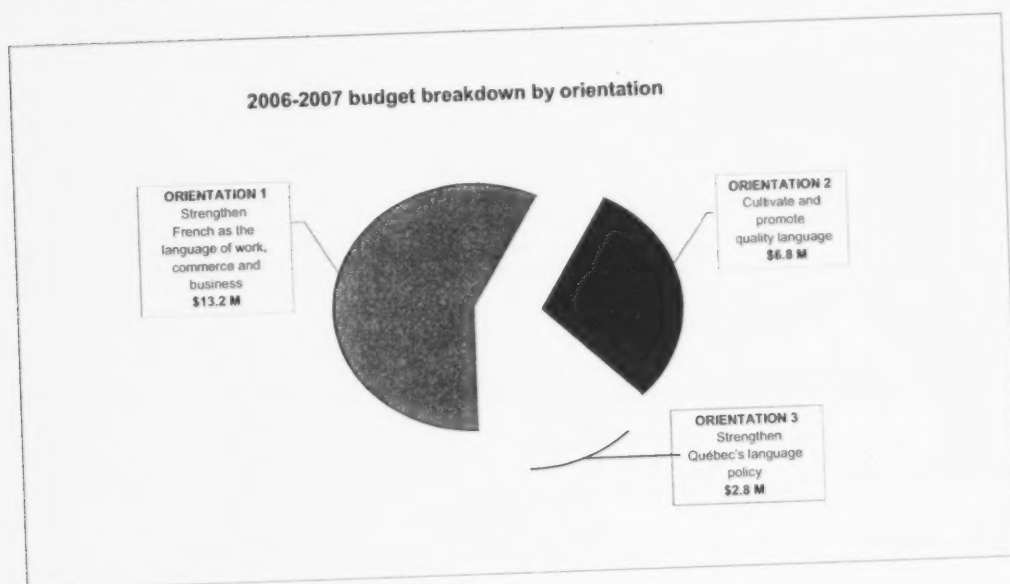
The Department is budgeting \$2.5 million in 2006-2007 for actions related to this orientation.

Charter of the French Language

HIGHLIGHTS

- Continued promotion of the French language, which is at the heart of the government's priorities.

In 2006-2007 the \$22.8-million appropriation for the Charter of the French Language program will be allocated among the three main orientations as illustrated in the pie chart below.



Orientation 1: Strengthen French as the language of work, commerce and business

It is still necessary to assert Québec's French character in workplaces as well as in commerce and business. For one, because the fact of being able to achieve financial and social success in French remains one of the strongest incentives for encouraging knowledge and use of the language in Québec. For another, Québec workers and consumers, the majority of whom are Francophones, can work and obtain service in French. Therein lies the importance of increasing the francization of workplaces and acting to ensure compliance with the Charter of the French Language, especially in commerce and business.

Actions envisioned

- Award a francization certificate to or approve a francization program at no less than 25.0% of businesses and public bodies that have not yet been certified or lack a francization program;
- Focus specifically on the following sectors: trucking, mountain sports, taxi, and large hotel chains;
- Increase the number of active and compliant francization committees in businesses;
- Provide new electronic services for businesses and the administration;
- Focus specifically on select consumer products: video games, major household appliances, electrical tools, and portable computers;
- Process complaints.

In 2006-2007, \$13.2 million will be allocated for this orientation, in order to pursue workplace francization efforts and ensure adherence to the provisions of the Charter of the French Language.

Orientation 2: Cultivate and promote quality language

Substantial progress has been made in improving the quality of oral and written French in Québec. Similarly, in the realm of toponymy, the standards and rules for spelling placenames have been considerably refined over the years. Yet a great deal remains to be done to ensure that enterprises, the public administration and the general public, regardless of mother tongue, are properly equipped to meet the demands of a society and age built increasingly around knowledge and communications. To meet these challenges, it is important to continue making people realize the importance of the quality of language while providing them with better terminological, linguistic and toponymical tools.

Actions envisioned

- Enrich the Grand dictionnaire terminologique, the Banque de dépannage linguistique and the Banque TOPOS and disseminate official placenames;
- Provide terminological and linguistic assistance services as well as toponymical information services for the general public and certain specialized users;
- Support the activities of the Table de concertation sur la qualité de la langue dans les médias;
- Support the plan for a dictionary of standard French used in Québec;
- Publish a quick reference to simplify written communication in the public administration.

In 2006-2007, \$6.8 million will be allocated to actions aimed at developing and promoting the widespread use of quality French.

Orientation 3: Consolidate Québec's language policy

Québec's language policy, embodied in the Charter of the French Language, some ten regulations and numerous government or sectorial policies, aims to promote the French language and foster its growth in a North American context. To give this policy its full force, one must begin by ensuring its promotion and consistency in its application, especially within the Québec government whose linguistic practices should remain exemplary. Moreover, this policy must be accompanied by official actions that encourage grassroots initiatives to foster the quality and spread of French. Finally, progress requires that the language policy take into account the sociolinguistic environment shaping Québec. In this regard, it is vital to properly document Québec, Canadian and international linguistic trends.

Actions envisioned

- Follow up on government actions with respect to language-related issues;
- Arrange the commemoratives, awards and honours for the Francofête 2007;
- Launch Noms et lieux du Québec;
- Continue assessing changes in the linguistic situation in Québec;
- Oversee Québec policy on linguistic officialization;
- Study Québec language issues;
- Establish Canadian and international partnerships.

In 2006-2007, \$2.8 million will be used for actions aimed at strengthening Québec's language policy.

3. Budget Plan

Department expenditures in 2006-2007 will total \$579.5 million, or an increase of \$45.4 million over last year's probable expenditure. This increase stems mainly from the indexation of salaries and expenditures, additional appropriations for the Placements Culture program, assistance for museums in financial difficulty, and aid for specialized training in music and dance, as well as higher debt service costs.

The main components of the Department's expenditures in 2006-2007 and their respective shares are as follows: \$264.5 million for assistance programs; \$239.8 million for cultural heritage and museum institutions, and performing and audiovisual arts establishments, \$215.1 million of which is in the form of subsidies to institutions that are in fact government corporations; \$40.0 million for the Department's operating costs; \$12.4 million for the operating costs of other agencies; and, \$22.8 million for the Charter of the French Language.

Expenditure budget by program
(thousands of dollars)

	2006-2007		2005-2006	
	Expenditure Budget (1)	Change (2)=(1)-(4)	Expenditure Budget (3)	Probable Expenditure (4)
1. Internal Management, National Institutions and Commission des biens culturels	60,218.8	525.5	60,636.1	59,693.3
2. Support for Culture, Communications and Government Corporations	496,464.0	43,801.4	451,729.0	452,662.6
3. Charter of the French Language	22,812.9	1,050.4	22,739.0	21,762.5
Total	579,495.7	45,377.3	535,104.1	534,118.4
Total Staff Level (FTEs) (excluding special funds)	876	(9)	—	885

Note: The Charter of the French Language program includes a provision that allows transfers to other government programs whose probable expenditure is increased accordingly. This program's probable expenditure is decreased due to such transfers.

Program 1: Internal Management, National Institutions and Commission des biens culturels

The program's objectives and priorities are to arrive at an overview of cultural and communication activities in Québec; develop and manage cultural and communication policies, orientations and programs; ensure the restoration of cultural assets as well as expertise and awareness in this area; foster teaching of the performing arts; and provide support services for management. Moreover, through the Commission des biens culturels du Québec, supply the expertise to foster the protection and enhancement of Québec's heritage.

The \$0.5-million net increase is due primarily to salary indexation and a reduction in the Department's operating costs.

Program 2: Support for Culture, Communications and Government Corporations

This program's objectives and priorities are to ensure support for culture and communications by providing financial assistance to various stakeholders and partners, agencies, municipal institutions and enterprises; to promote and preserve Québec and international art, history and the components of society and ensure Québec's presence in international museum networks; to make major performance facilities available to artists and promoters; to foster the development of cultural and communications enterprises; to ensure recognition of artists' and producers' associations and oversee labour relations in the sectors concerned; to offer educational and cultural television programming; to support creation, development, experimentation and artistic production throughout Québec and to foster its dissemination; to provide democratic access to culture and knowledge in collaboration with libraries and Québec documentary institutions; as well as foster the protection and usage of the archival legacy.

The \$43.8-million increase stems primarily from additional appropriations to assist museums in financial difficulty, aid for specialized training in music and dance, the Placements Culture program, as well as higher debt service costs.

Program 3: Charter of the French Language

The resources allocated to the Charter of the French Language program help to ensure the promotion and spread of quality French in all activity sectors, and the coordination and development of policies and government activities related to language issues.

The \$1.1-million net increase stems mainly from salary indexation and additional appropriations for monitoring the linguistic situation.

Capital budget

(thousands of dollars)

	2006-2007	2005-2006
Fixed Assets	6,323.3	6,323.3
Loans, Investments and Advances	—	—

The capital budget covers further upgrades to management support computer equipment and technological systems, as well as the acquisition of specialized equipment for the Centre de conservation du Québec, the Conservatoire de musique et d'art dramatique du Québec and the Charter agencies.

Budget-funded agencies and extrabudgetary agencies
 (thousands of dollars)

	Forecast 2006-2007		Probable 2005-2006	
	Agency expenditure budget	Portion funded by the Department	Agency expenditure budget	Portion funded by the Department
Budget-funded agencies				
Commission de toponymie	964.6	964.6	1,302.6	1,302.6
Commission des biens culturels du Québec	467.1	467.1	448.1	448.1
Conseil supérieur de la langue française	1,515.0	1,515.0	1,471.6	1,471.6
Office québécois de la langue française	17,454.0	17,454.0	17,169.7	17,169.7
Extrabudgetary agencies				
Bibliothèque et Archives nationales du Québec	84,421.8	73,163.1	62,418.9	58,212.5
Commission de reconnaissance des associations d'artistes et des associations de producteurs	687.9	687.9	678.5	678.5
Conseil des arts et des lettres du Québec	78,208.0	77,487.2	73,762.3	72,395.8
Musée d'art contemporain de Montréal	9,421.0	8,547.2	9,672.0	8,502.8
Musée de la civilisation	27,866.0	21,878.5	25,341.2	20,947.9
Musée national des beaux-arts du Québec	16,715.1	13,955.8	21,716.5	13,367.1
Régie du cinéma	4,616.3	—	5,028.9	—
Société de développement des entreprises culturelles	56,041.5	49,572.4	56,051.9	49,470.3
Société de la Place des Arts de Montréal	32,038.9	16,436.3	30,779.2	15,487.7
Société de télédiffusion du Québec	81,226.2	59,781.3	82,551.5	57,648.1
Société du Grand Théâtre de Québec	9,278.4	4,586.2	9,254.2	3,798.0

DÉVELOPPEMENT DURABLE, ENVIRONNEMENT ET PARCS

HIGHLIGHTS

- The 2006-2007 expenditure budget of the Ministère du Développement durable, de l'Environnement et des Parcs makes it possible to ensure the maintenance of services to the public and honour government commitments regarding the protection of the environment and promotion of sustainable development.
- The 2006-2007 expenditure budget includes a \$3.0-million increase in appropriations to modernize and upgrade the natural parks infrastructure of Société des établissements de plein air du Québec (SEPAQ), as well as increases of \$1.8 million in the expenditure budget and \$5.4 million in the capital budget to carry out the work necessary for the safety and upgrade to standards of dams, within the context of modernization of management of public dams.
- Moreover, the 2006-2007 expenditure budget reflects \$2.7 million in expenditure reduction measures, mainly related to rationalization of administrative activities with regard to management services and non-replacement of a portion of the Department's retirees.

1. Presentation of the Minister's Portfolio

The "Développement durable, Environnement et Parcs" portfolio includes the Department, the Bureau d'audiences publiques sur l'environnement (BAPE) and the Société québécoise de récupération et de recyclage (RECYC-QUÉBEC). Together, they ensure protection of the environment and the natural ecosystems for the purpose of contributing to the well-being of present and future generations. They promote sustainable development with a view to providing the population with a healthy environment, in harmony with Québec's economic development and social progress. Also, the Minister of Sustainable Development, Environment and Parks is responsible for application of the Act respecting the Société des établissements de plein air du Québec (R.S.Q., c. S-13.01).

The Department is active in the following fields, in particular: sustainable development, protection of ecosystems and biological diversity, development of the Québec national parks network, prevention of pollution, management of public dams and the water property in the public domain, dam safety, drinking water quality and management of residual materials. The Department also develops knowledge of the ecosystems and maintains intergovernmental and international relations in environmental protection matters.

Regarding the agencies that report to the Minister, the BAPE informs and consults the population on matters relating to the quality of the environment in order to clarify government decision-making, while RECYC-QUÉBEC promotes the reduction, recycling and reclamation of residual materials from a resource conservation perspective.

2. Budgetary Choices

Orientation 1: Provide the government with a sustainable development plan

The Department will pursue the establishment of a sustainable development plan, which will guide the interventions of the various government departments and agencies, so as to reconcile the environmental, social and economic components of development. Following the adoption of legislation on sustainable development, the Department will propose a sustainable development strategy, in order to guide the consideration of sustainable development in the public administration's decision-making processes. Bill 118 on sustainable development, tabled in the National Assembly in June 2005, provides that a Sustainable Development Commissioner be appointed, with the principal duties of controlling and verifying the application of the Sustainable Development Act to be adopted.

Actions envisioned

- Implement the Sustainable Development Act;
- Propose a sustainable development strategy.

Orientation 2: Review environmental governance

The Department will produce an assessment of the Québec Residual Materials Management Policy 1998-2008. To this end, the introduction of a fee on residual materials will contribute to the funding of recycling efforts. Moreover, monitoring of operating landfills and closed landfills will ensure rigorous application of the new Regulation respecting landfilling and incineration of residual materials. On-site inspections will also be increased in several high environmental risk sectors, through systematic inspection programs.

Actions envisioned

- Introduce new systematic environmental inspection programs in the fields of mining, residual materials and contaminated soils;
- Produce an assessment of the Québec Residual Materials Management Policy;
- Introduce a fee in the residual materials sector.

Orientation 3: Ensure sustainable water management and the sustainability of aquatic ecosystems by implementing the Québec Water Policy

The Department will provide technical and financial support to watershed agencies and provide them with the environmental information available for preparation of their water management plans. The Department will pursue its interventions in the agricultural environment to achieve the phosphorus balance for agricultural land with the goal of enhancing the protection of water quality and ecosystems. Finally, it will ensure that the operators of drinking water systems comply with the regulatory requirements in force, so that they distribute good quality drinking water to the public.

Actions envisioned

- Provide technical and financial support to the watershed agencies;
- Include the obligation, in the 33 watershed agency funding agreements, to provide an action plan leading to the adoption of a water management plan;
- Proceed with the assessment of the water management plans filed by the watershed agencies;
- Provide technical support to the Ministère des Affaires municipales et des Régions in the implementation of the Québec Water Policy's actions regarding wastewater overflow, toxicity and disinfection;
- Ensure the implementation of the Triennial Action Plan 2005-2008 concerning the application of the Regulation respecting the quality of drinking water.

Orientation 4: Conserve biological diversity

The creation of protected areas, including the development of the national parks network and the conservation of wetlands, represents the preferred means for Québec to safeguard biological diversity. The Department will pay special attention to the protection of ecosystems representative of the biological diversity of the territory, and the conservation of rare ecosystems and habitats of threatened or vulnerable species. To protect and manage wetlands effectively within a perspective of sustainable development, the Department will propose measures for conservation and sustainable management of these settings. It will also ask the regional county municipalities to support it in the application of the Protection Policy for Lakeshores, Riverbanks, Littoral Zones and Floodplains.

Actions envisioned

- Add 6,000 km² to the areas classified as protected areas;
- Propose measures for conservation and sustainable management of wetlands;
- Ask all regional county municipalities to integrate into their land-use planning and development plan the 2005 standards for the protection of lakeshores, riverbanks, littoral zones and floodplains.

Orientation 5: Reduce air pollution and promote adaptation to climate change

In support of implementation of the Kyoto Protocol on the reduction of greenhouse gas emissions, the Department will propose a strategy on climate change, in collaboration with other departments, and a first five-year plan for implementation of the strategy. The Department will pursue its efforts for adoption of new air quality standards and will implement the Regulation respecting halocarbons and the Heavy-Duty Vehicle Inspection and Maintenance Program (PIEVAL). To make producers responsible for their atmospheric emissions, the Department will ensure that they measure their emissions and transmit the emission data to the Department when they are higher than a certain threshold. A key objective of these actions is to meet Québec's intergovernmental and international commitments concerning the reduction of cross-border pollution.

Actions envisioned

- Propose a Québec strategy on climate change and, after its adoption, implement an action plan on climate change;
- Implement the Regulation respecting halocarbons;
- Implement, after their adoption, the Draft Regulations respecting the quality of the atmosphere and compulsory reporting of certain emissions;
- Implement the Heavy-Duty Vehicle Inspection and Maintenance Program (PIEVAL).

Orientation 6: Improve the quality of services to the public

Individuals and businesses will have access to better environmental information and the possibility of receiving more online services. The Department will increase the accessibility of information on the state of the environment, so that the public is better informed and so that companies and public bodies fully assume their environmental and public health responsibilities. It will also facilitate access to its services by adapting the regulations to the new environmental realities, alleviating administrative formalities and promoting online electronic data interchange. Finally, the Department will ensure that its personnel can meet the new challenges regarding delivery of services, within the context of its multiyear workforce planning.

Actions envisioned

- Disseminate documents on the state of the environment on the Internet;
- Update the 2005-2008 multiyear workforce plan.

3. Budget Plan

The Department's 2006-2007 expenditure budget amounts to \$189.6 million, divided between two programs: Environmental Protection and Parks Management, and the Bureau d'audiences publiques sur l'environnement. This amount represents a \$0.4-million increase for the 2006-2007 expenditure budget compared to the 2005-2006 probable expenditure and a reduction of 30 FTEs.

Expenditure budget by program (thousands of dollars)

	2006-2007		2005-2006	
	Expenditure Budget (1)	Change (2)=(1)-(4)	Expenditure Budget (3)	Probable Expenditure (4)
1. Environmental Protection and Parks Management	184,358.5	752.3	182,208.6	183,606.2
2. Bureau d'audiences publiques sur l'environnement	5,286.1	(350.5)	5,393.3	5,636.6
Total	189,644.6	401.8	187,601.9	189,242.8
Total Staff Level (FTEs) (excluding special funds)	1,830	(30)	—	1,860

Program 1: Environmental Protection and Parks Management

The purpose of this program is to ensure the protection of the environment within a sustainable development perspective, by the formulation and implementation of policies and programs with the objectives of prevention or reduction of water, air and soil contamination, restoration of contaminated sites and protection of living environments, ecosystems and resources. It is also intended to ensure the development of the parks network for conservation, education or recreation purposes, in a sustainable development perspective.

The \$0.8-million increase in the 2006-2007 expenditure budget over the 2005-2006 probable expenditure and the reduction of 30 FTEs are explained by the following factors:

— Additional appropriations of \$5.5 million, namely:

- \$3.7 million to further measures announced in the 2005-2006 Budget Speech, including \$3.0 million enabling the Société des établissements de plein air du Québec to modernize and upgrade Québec's natural parks infrastructure and \$0.7 million for implementation of the program for conservation of the private natural heritage known as the Programme de conservation du patrimoine naturel en milieu privé;
- \$1.8 million allowing the Department to pursue modernization of management of public dams.

— Expenditure reduction measures of \$2.7 million, mainly related to the rationalization of administrative activities in management services and non-replacement of a portion of the retirees (30 FTEs);

- Additional appropriation of \$0.4 million allocated to the BAPE during the 2005-2006 fiscal year, from the Department's appropriations, to enable it to perform its assigned mandates;
- A \$2.4-million decrease, in 2006-2007, in the amounts coming from government provisions concerning the resource-based regions strategy, student jobs and communication activities.

Program 2: Bureau d'audiences publiques sur l'environnement

The purpose of this program is to ensure the holding of public consultation and information sessions prescribed in the environmental impact assessment and review process for development projects and the holding of inquiries and consultations on any environment-related matter.

The \$0.4-million decrease in the 2006-2007 expenditure budget in relation to the BAPE's probable expenditure forecast for 2005-2006 is explained by the fact that additional appropriations in the same amount were allocated to the BAPE during the 2005-2006 fiscal year, from the Department's appropriations, to enable it to perform its assigned mandates.

Capital budget

(thousands of dollars)

	2006-2007	2005-2006
Fixed Assets	24,167.2	22,825.6
Loans, Investments and Advances	—	—

The \$1.3-million increase in the capital budget is explained by the addition of appropriations of \$5.4 million, allowing the performance of the work necessary to the safety and upgrade to standards of dams within the context of modernization of management of public dams and by lapsed appropriations of \$4.1 million in 2005-2006.

Extrabudgetary agency

(thousands of dollars)

	Forecast 2006-2007		Probable 2005-2006	
	Agency expenditure budget	Portion funded by the Department	Agency expenditure budget	Portion funded by the Department
Société québécoise de récupération et de recyclage (RECYC-QUÉBEC)	60,816.0	—	57,896.5	—

RECYC-QUÉBEC has the mission to promote, develop and foster the reduction, reuse, recovery and recycling of containers, packaging, materials or products, and their reclamation within a resource conservation perspective. Its mandate is to coordinate the activities prescribed in the 1998-2008 Québec Residual Materials Management Policy.

The increase in RECYC-QUÉBEC's expenditure budget in 2006-2007 is the result of the coming into force of the Regulation respecting compensation for municipal services provided to recover and reclaim residual materials (R.S.Q., c. Q-2, a.53.31.2, 53.31.4, 53.31.12). The purpose of this Regulation, which provides for a compensation plan managed by RECYC-QUÉBEC, is to increase the responsibility of businesses which manufacture, market or distribute products, by providing for their participation in the expenditures occasioned for the municipalities.



DÉVELOPPEMENT ÉCONOMIQUE, INNOVATION ET EXPORTATION

HIGHLIGHTS

- For the 2006-2007 fiscal year, the efforts of the Ministère du Développement économique, de l'Innovation et de l'Exportation will focus mainly on:
 - Regional economic diversification;
 - Growth of private sector investments;
 - Strengthening of the export function of businesses;
 - Keeping the R&D system in the top ranks of industrialized countries;
 - Encouraging businesses to adopt innovation;
 - Expansion of key sectors;
 - Increasing the economic and commercial impacts of university research and technology transfers to businesses.

1. Presentation of the Minister's Portfolio

The Department's mission is to support economic and regional development as well as research, in particular by fostering coordination, concerted action and support of the various economic and scientific players with a view to job creation, economic prosperity, scientific advances, and sustainable development.

Pursuit of this mission primarily takes the following forms:

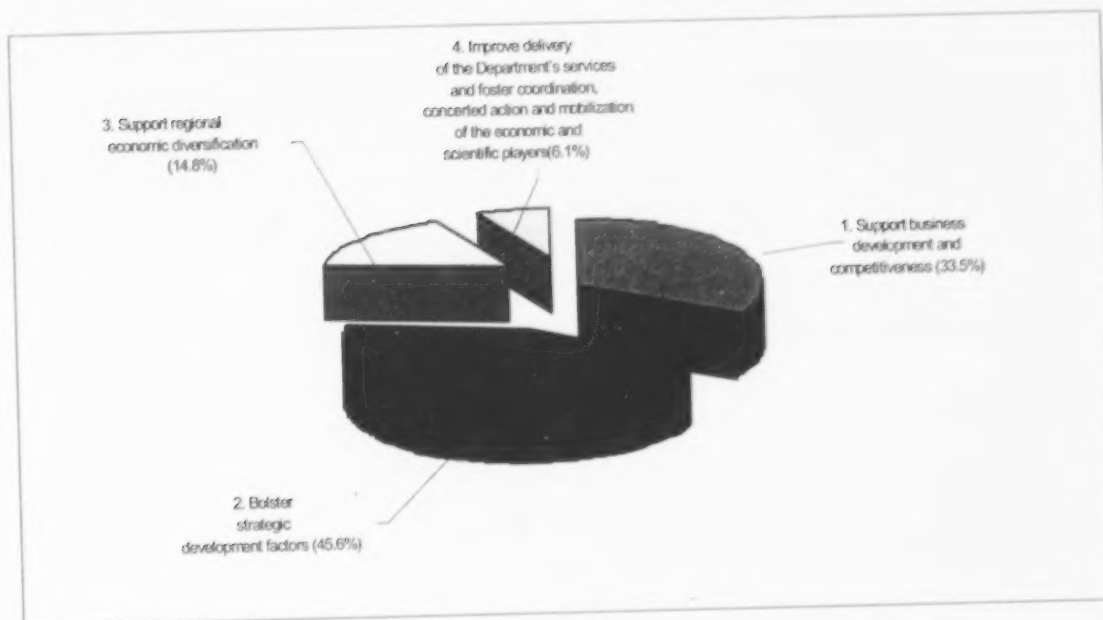
- Developing orientations and strategies for economic, scientific and technological development, as well as innovation and exports;
- Offering advisory services and financial and technical support to its partners and clientele in its areas of expertise, and producing studies and analyses to support those services;
- Designing and developing, directly or through delegation to partners, measures and programs in its activity spheres;
- Promote Québec's image and competitive advantages to foreign investors;
- Coordination and mobilization of its public and private partners in taking action that contributes to making the Government's vision a reality.

The government corporations and agencies reporting to the Minister are: the Centre de recherche industrielle du Québec, the Conseil de la science et de la technologie, the Coopérative régionale d'électricité de Saint-Jean-Baptiste-de-Rouville, the Fonds de la recherche en santé du Québec, the Fonds québécois de la recherche sur la nature et les technologies, the Fonds québécois de la recherche sur la société et la culture, Investissement Québec, the Société du parc industriel de Bécancour, the Société générale de financement, the Société Innovatech de Québec-Chaudière-Appalaches, the Société Innovatech des Régions ressources and the Société Innovatech du Sud du Québec.

2. Budgetary Choices

The expenditure budget of the Minister's portfolio represents a total of \$618.5 million for the 2006-2007 fiscal year. About 32.0% of this budget is allocated to the agencies reporting to the Minister, namely Investissement Québec, the three research granting funds, the Centre de recherche industrielle du Québec and the Conseil de la science et de la technologie. The balance (68.0 %) is allocated to activities under the Department's direct responsibility.

The Department's budget is allocated according to the major orientations of its 2005-2006 Strategic Plan, accounting for the government's economic development strategy, The Québec Advantage, of which the Department is a leader.



The current economic situation has also been taken into account. Indeed, despite positive economic performance, Québec now must meet major challenges in a context of globalization. The main factors to consider are: competition from emerging economies such as China and India, acceleration of trade, technological change and regional disparities.

Orientation 1: Support business development and competitiveness

The new competitive context that Québec businesses must face requires the Department to put the emphasis on the adoption of innovation, development of export markets, increasing private investments and development and expansion of key sectors. For this purpose, the Department envisions the following actions for the coming year:

- Implement the government's economic development strategy known as The Québec Advantage;
- Implement a strategy of promotion and prospecting for direct foreign investment;
- Support businesses in the preliminary steps to concretization of their investments;
- Implement industrial strategies in three key sectors: the aerospace sector, the biopharmaceutical sector and the textile industry;
- Update and align the export market development approach with The Québec Advantage and the international relations policy currently in preparation;
- Coach businesses on the export markets, particularly those with strong potential.

Orientation 2: Bolster strategic development factors

The economic environment and certain factors, such as innovation and entrepreneurship, play a strategic role in the performance of national economies. The Department thus intends to contribute to the consolidation of Québec's strengths in this regard, putting the emphasis on the development of research, technology transfers and the entrepreneurial base. The actions envisioned for this orientation are to:

- Review the Québec Policy for Science and Innovation;
- Accentuate the commercialization of research results and their transfer to wealth-creating enterprises;
- Prepare an entrepreneurship development strategy.

Orientation 3: Support regional economic diversification

In a time of globalization, regional economic development, more than ever, becomes a major challenge. In this context, the Department will give preference to the realization of business projects and the implementation of strategies adapted to the regions' needs. The main actions envisioned by the Department over the coming year are to:

- Implement an economic diversification approach intended for one-industry municipalities;
- Enter into implementation agreements with the regional economic partners, assuring the development of the niches of excellence identified by the regions under ACCORD agreements (Action concertée de coopération régionale de développement), and implement the resulting action plans for regional development cooperation;
- Prepare a regional economic development strategy;
- Support business startup and expansion projects.

Orientation 4: Improve delivery of the Department's services and foster coordination, concerted action and mobilization of all the economic and scientific players

Over the next few years, the Québec public service must deal with the retirement of a significant proportion of its employees. At the same time, the Department, on the one hand, must invest major efforts in consolidating its relationships with businesses and its partners and, on the other hand, exercise leadership with the various government, institutional and private stakeholders. The Department thus intends to:

- Develop tools to facilitate processing of the files of developers who want to carry out projects in Québec having an impact on economic development, particularly by assigning them a project manager;
- Participate in the elaboration of the economic dimension of the new international relations development policy and subsequently coordinate its implementation.

3. Budget Plan

Expenditure budget by program

(in thousands of dollars)

	2006-2007		2005-2006	
	Expenditure budget (1)	Variation (2)=(1)-(4)	Expenditure budget (3)	Probable expenditure (4)
1. Department Administration	\$ 37,620.8	\$ 3,953.4	\$ 34,793.4	\$ 33,667.4
2. Economic Development and Assistance to Enterprises	\$ 317,774.6	\$ (3,733.2)	\$ 312,487.6	\$ 321,507.8
3. Research, Science and Technology	\$ 263,104.4	\$ 40,533.2	\$ 222,681.6	\$ 222,571.2
Subtotal	\$ 618,499.8	\$ 40,753.4	\$ 569,962.6	\$ 577,746.4
4. Provision Concerning Financial Interventions Guaranteed by the Government	—	\$ (82,000.0)	—	\$ 82,000.0
Total	\$ 618,499.8	\$ (41,246.6)	\$ 569,962.6	\$ 659,746.4
Total staff level (FTEs) (excluding the special funds)	923	(20)	—	943

Note: Programs 2 and 4 include provisions that allow transfers to other government programs for which the probable expenditure is increased accordingly. The probable expenditure in Program 2 is decreased due to such transfers.

The \$41.2-million decrease is mainly explained by the non-recurrence of the Provision Concerning Financial Interventions Guaranteed by the Government, which is the object of an exceptional expenditure in 2005-2006. However, excluding the impact of the non-recurrence of this provision, the Department's budget increases by \$40.8 million (7.1%). This increase essentially results from the additional amounts budgeted for measures of support for research and commercialization of research results.

Program 1: Department Administration

The objective of this program is to handle administration of the Department and central services in terms of management support.

The 2006-2007 expenditure budget is up by \$4.0 million (11.7%) compared to the 2005-2006 probable expenditure. The variation is essentially explained by the combination of certain activities in the Department's administration.

Program 2: Economic Development and Assistance to Enterprises

The objective of this program is to offer technical and financial support to enterprises and organizations for industrial, commercial, and cooperative development and market development for job creation. It also contains budget allocations for the support of local and regional economic development.

The decrease of \$3.7 million (1.2%) in relation to the 2005-2006 probable expenditure is mainly explained by the \$7.2-million net reduction resulting from the variations in the envelopes allocated to the FAIRE and PASI programs, as well as certain industrial projects of economic interest. On the other hand, additional budgets of \$3.5 million are forecast for the development of niches of excellence and to support entrepreneurship.

Program 3: Research, Science and Technology

The objective of this program is to implement and follow up on the Québec Policy for Science and Innovation and to support research and researcher training, innovation, liaison and transfer, the promotion of scientific and technological careers, the dissemination of knowledge and the international promotion of Québec research and innovation.

The increase of \$40.5 million (18.2%) in relation to the 2005-2006 probable expenditure is mainly explained by additional budgets for a total of \$23.0 million, forecast for new initiatives to promote R&D and innovation. The budget also provides for additional amounts of \$17.2 million to support the funding of research infrastructure and various other measures to assist research and commercialization of research results.

Program 4: Provision Concerning Financial Interventions Guaranteed by the Government

The purpose of this program is to allow prior period adjustments of the provision for losses on Investissement Québec financial interventions guaranteed by the government.

The \$82.0-million decrease is explained by the non-recurrence of the Provision Concerning Financial Interventions Guaranteed by the Government, which constitutes an exceptional expenditure in 2005-2006.

Capital budget

(thousands of dollars)

	2006-2007	2005-2006
Fixed Assets	4,365.1	5,356.9
Loans, Investments and Advances	353,005.0	33,018.5

The capital budget is reduced by \$1.0 million, mainly due to the transfer of the Portail gouvernemental des services aux entreprises to the Ministère des Services gouvernementaux.

The Loans, Investments and Advances budget is increased by \$320.0 million, due, on the one hand, to the reduction of the needs of the FAIRE program (\$31.5 million) and, on the other hand, to appropriations required in 2006-2007 to allow prior period adjustments of the provision for losses on Investissement Québec financial interventions guaranteed by the government.

Budget-funded agency and extrabudgetary agencies
(thousands of dollars)

	Forecast 2006-2007		Probable 2005-2006	
	Agency expenditure budget	Portion funded by the Department	Agency expenditure budget	Portion funded by the Department
Budget-funded agency				
Conseil de la science et de la technologie	1,458.1	1,458.1	1,202.4	1,202.4
Extrabudgetary agencies				
Centre de recherche industrielle du Québec	32,500.0	9,250.0	32,098.0	13,500.0
Fonds de la recherche en santé du Québec	86,555.3	70,200.0	85,680.8	70,125.2
Fonds québécois de la recherche sur la nature et les technologies	42,835.4	35,569.7	41,882.5	35,530.1
Fonds québécois de la recherche sur la société et la culture	49,069.4	43,182.9	48,737.1	43,137.4
Investissement Québec	225,996.0	142,355.8	229,136.0	149,027.0
Société du parc industriel et portuaire de Bécancour	6,314.9	—	6,316.7	—

ÉDUCATION, LOISIR ET SPORT

HIGHLIGHTS

- ❑ The expenditure budget of the Ministère de l'Éducation, du Loisir et du Sport will reach \$12,797.9 million in 2006-2007, a significant increase of \$660.0 million or 5.4% compared to the 2005-2006 probable expenditures.
- ❑ This growth will allow the Department to maintain the quality of its educational services that target better results for students, by funding growth factors in the education networks and by continuing and strengthening investments made in previous years.
- ❑ Resources will be added to improve services to students at risk and handicapped students or those who have social or learning difficulties. As of September 2006, classroom teaching time will be increased by one and a half hours per week, which will require additional resources for hiring specialized teachers and paying for organization of services.
- ❑ The budget will also provide for promoting recreation and sport and the introduction of quality safety standards for everyone engaging in recreational and sports activities.

1. The Department

The constituting Act gives the Department the responsibility for drawing up and proposing policies to the Government with regard to pre-school education, elementary and secondary education, college education, university education and research, except in areas for which another Department is responsible, as well as recreation and sport, particularly to:

- Promote education, recreation and sport;
- Contribute, through promotion, to the development and support of these fields, both at the scientific, cultural and professional level and at the level of recreational and sports activities of the Quebec population;
- Provide access to the highest levels of learning and culture to everyone with the desire and the necessary ability;
- Bring directions and activities into line with overall Government policies and with economic, social and cultural needs.

The Department thus fulfills its educational mission on the basis of a sharing of responsibilities with the educational networks, which are responsible for delivering the programs of study and other educational services. However, with regard to Financial Assistance for Education and the granting of diplomas, the Department stands in a direct relationship with students.

The Department is also responsible for advising the government on matters related to recreation and sports and for ensuring interdepartmental consistency in these fields. Its main responsibility, in partnership with those involved, consists of fostering the development of recreation and sports in a healthy and safe environment and promoting a physically active lifestyle to everyone in Québec.

The Department assumes the role and responsibilities that its constituting Act confers upon it by performing six key functions, which define its various levers of intervention:

- Orient and plan the educational services offered in the territory to meet the needs of the Quebec population;
- Inform the population about the performance of the education system, its development and achievement of fixed objectives;
- Educate and inform citizens so they can adopt good and safe behaviour when engaging in recreational and sporting activities;
- Help train those involved in the fields of recreation and sports and support the partners in implementing a good environment and supervision;
- Manage the resources allocated by the National Assembly and assure their distribution;
- Advise the legislator and political decision-makers.

In carrying out its responsibilities, the Department draws upon the work and opinions of various agencies, such as the Conseil supérieur de l'Éducation, the Commission d'évaluation de l'enseignement collégial and the Advisory Board on Private Education.

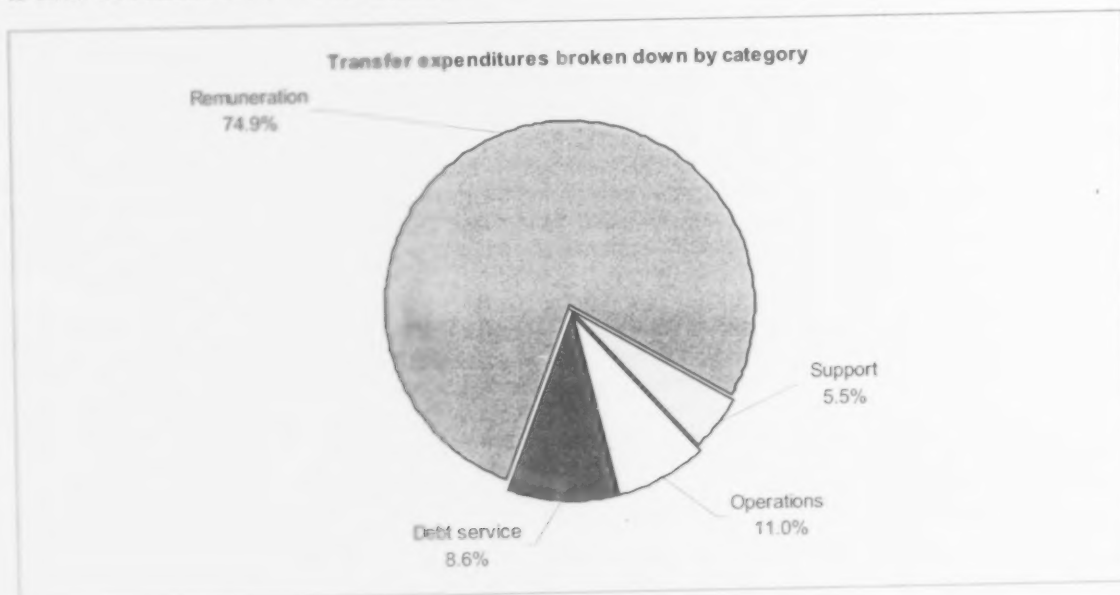
The Act constituting the Conseil supérieur de l'Éducation mandates it to submit its annual report on the state and needs of education to the Ministère de l'Éducation, du Loisir et du Sport. It must also advise the Minister on regulations or draft regulations that the Minister is required to submit to it, and any question within its jurisdiction that the Minister may put before it. Additionally, the Conseil supérieur de l'Éducation may also, on its own initiative, provide advice on any educational matters it deems appropriate.

The mandate of the Commission d'évaluation de l'enseignement collégial is primarily to evaluate the quality and implementation of the programs of study offered in Québec colleges, and the institutional policies of colleges for assessing learning and programs.

The mandate of the Commission consultative de l'enseignement privé is to advise the Minister on any question within its jurisdiction in the field of private education. In particular, it makes recommendations on the issuing, amendment, renewal or revocation of licenses or accreditation.

2. Budgetary Choices

The Department's budget is \$12,797.9 million in 2006-2007. Almost all of this budget – 98.7% – is earmarked for transfer expenditures, primarily to the networks. The breakdown is as follows: 74.9% of transfer expenditures are allocated to remuneration, 11.0% to operations, 8.6% to debt service and 5.5% to other education beneficiaries and partners.



The Department's financial resources are allocated so as to ensure the continuity and constant improvement in the quality of services provided. Nearly the whole of the budget is thus allocated to recurring expenses.

For the 2006-2007 fiscal year, the Department's budgetary choices are based on the following orientations:

- Renewal of pre-school education, elementary education and secondary education;
- Strengthen vocational and technical training and continuing education;
- Consolidate higher education in conjunction with partners;
- Contribute to the development of the regions;
- Encourage the population to participate in more physical, recreational and sports activities within a safe and healthy environment;
- Improve services and relationships with partners.

Pre-school, Elementary and Secondary Education

The \$7,489.2-million budget for pre-school, elementary and secondary education is for maintaining the network operations, improving support and helping students succeed by introducing specific new resources.

Agreements in principle reached with various staff categories last December will add significant resources for students at risk and those with handicaps or social or learning difficulties. The increase will be \$90.0 million over three years, \$50.0 million of which will be disbursed as of the 2006-2007 school year (\$32.0 million in fiscal 2006-2007) for the hiring of resource teachers at the elementary level, special education teachers at the secondary level as well as professional and support staff. An additional \$10.0 million (\$6.4 million in fiscal 2006-2007) will go to increasing the budget for teacher training, providing teacher support for multi-program classes and increasing the number of pedagogical days for continuing education. With regard to support staff, \$5.9 million (\$3.8 million in fiscal 2006-2007) will go toward daycare for children needing more supervision and will substantially increase the professional training budget.

Ninety minutes per week will be added at elementary schools as of the upcoming 2006-2007 school year. This will cost \$144.0 million (\$92.0 million in the fiscal year 2006-2007). The extra time allocation will be used for teaching English as a second language starting in Grade One, among other things.

These amounts will be added to the money already invested in recent years to provide more supervision and additional support for parents and teachers. \$20.0 million has already been invested for additional professional and support resources, \$20.0 million for homework assistance and \$5.0 million for projects designed to promote healthy living.

In addition, the Department maintains its recurrent \$180.0-million expenditure to help students with handicaps or who have difficulty developing skills they need (Early Steps Toward Success).

For the fifth year, \$25.0 million will go into pursuing the \$125.0-million investment in the "New Approaches, New Solutions" intervention strategy. The strategy is designed to implement interventions for the success of high school students in specific schools located in disadvantaged environments.

For the second year, the Department will set aside an amount of \$13.3 million to complete the three-year Action Plan on Reading in School. This three-year plan is for a total investment of \$60.0 million in school libraries, with the Department contributing \$40.0 million and the school boards \$20.0 million. This plan of action, classified under pleasure and discovery, targets boys more specifically because a higher number of boys usually experience reading difficulties.

In order to maintain the supply of educational services in the regions, the Department will devote \$13.0 million to maintaining educational services in village schools. The money is intended to improve the quality of instruction, support teachers, help students develop socially and improve buildings.

The Department will continue supporting the completion of the Government Policy on Adult Education and Continuing Education and Training whose purpose is to develop a culture of lifelong learning. An amount of \$20.0 million will be allocated for this purpose. Among other things, it will be used to develop new programs in general education in the adult sector, to implement services adapted to those 16-24 years of age in the school boards and to progressively implement new integration, reference, advisory and support services. It will also make it possible to support service groups in the recognition of prior learning.

The Department will continue updating vocational training programs in fields that require it.

Higher Education

The \$3,984.6-million budget for higher education will be allocated as follows: \$2,406.2 million or 60.4% for teaching and research in universities; \$1,578.4 million or 39.6% for college teaching. These budgets include the debt service for each of these two sectors.

In the college sector, the Department is maintaining its support to encourage students to stay in school and help them succeed. The Department will allocate nearly \$42.0 million to this objective in 2006-2007.

The Department plans to implement the latest programs in technical education, updated in terms of specific fields.

The Department will continue providing financial aid of some \$15.0 million in order to maintain the supply of educational services and counter student shortages in colleges in remote areas.

In addition, the Department will renew its allocation of around \$33.0 million in financial aid to regional universities so that they can provide a variety of education services. And, although it hopes to reform the indirect costs of research, the Department has set earmarked \$2.0 million to support research, particularly in smaller institutions.

Finally, given the Quebec society's health care needs, and to support rising university enrollment in this field, the Department is providing additional funding to universities that have faculties of Medicine, particularly for the development of new clinical internships.

Financial Assistance for Education

A budget of \$375.2 million will be allocated to Financial Assistance for Education for the loans and bursaries program and complementary programs.

Pursuant to the agreement reached with student federations in April 2005, the Government will increase bursaries by \$70.0 million in 2005-2006 and by \$33.0 million in the grant year 2006-2007, bringing the total increase to \$103.0 million. Since the grant year runs from September to August, these two amounts will be spread over two fiscal years.

Modernization of the loans and bursaries program has been underway since 1999 under Project Contact, in an attempt to improve customer service and communications with teaching and financial institutions. The last functions of this huge project will be in place at the start of the fiscal year 2006-2007, including systems for claims management, collections and accounts receivable. These will be added to the functions designed to calculate and disburse aid that have been installed in the past two years.

Development of Recreation and Sport

In order to foster the development of recreation and promote a physically healthy lifestyle in a healthy and safe environment, the Department will devote \$42.5 million to encourage recreation and volunteerism and another \$24.7 million to promote sport and safety as well as research. With this money the Department will be able to support the different stakeholders in the fields of recreation and sports -- associations, municipalities, educational institutions and other organizations -- in accomplishing their mission and implementing their projects.

The Department will also support Québec athletes in Canadian and international sports events as well as volunteer participation. Other activities are planned, including strategic directions for attracting and organizing international sports events in Quebec, continuing the Team-Quebec program and developing programs to support promotion and support for volunteers working in the recreation and sports sector.

Administration and Consulting

For administration and consulting, a budget of \$126.9 million is allocated to human, financial, equipment and computer resources for the management and administration of all programs for which the Department is responsible, except Financial Assistance for Education.

Plans to modernize systems and technological support are underway within the Department. They are designed to increase availability and accessibility of information on the education system and its progress.

A huge project to update management and computer systems (Project Charlemagne) started to be installed in 2005-2006 in order to support the reform of preschool, elementary and secondary education, and will continue in 2006-2007. This project is designed to improve partnerships between the Department and elementary and secondary educational institutions. Its main objectives are to support operations to approve high school studies and mechanisms for controlling school attendance and financing of the organizations concerned. The expected investment for the 2006-2007 work plan will be \$9.8 million, out of a total budget of \$38.0 million.

There is also Project Socrates, part of a program to improve customer service. Students will be able to access all information contained in their file (school grades, Departmental exams, etc.) through their college. The college will thus be able to make changes to the file. The Department will invest \$5.2 million in this project in 2006-2007, out of a total budget of \$16.1 million.

In addition, within the framework of replacing current management systems for Government resources by the Stratégie d'affaires en gestion intégrée des ressources (SAGIR), implementation at the Ministère de l'Éducation, du Loisir et du Sport should start in August 2006 and continue through October 2007.

3. Budget Plan

The Department's 2006-2007 expenditures budget will increase by \$660.0 million (5.4%) compared to the probable expenditure for 2005-2006, and by \$567.9 million (4.6%) compared to 2005-2006 appropriations.

Expenditure budget by program (thousands of dollars)

	2006-2007		2005-2006	
	Expenditure Budget (1)	Change (2)=(1)-(4)	Expenditure Budget (3)	Probable Expenditure (4)
1. Administration and Consulting	126,915.9	(1,292.1)	131,245.4	128,208.0
2. Tourism and Hotel Industry Training	20,612.7	1,823.5	18,789.2	18,789.2
3. Financial Assistance for Education	375,173.1	59,501.5	334,470.4	315,671.6
4. Pre-school, Primary and Secondary Education	7,489,208.2	335,843.0	7,203,461.5	7,153,365.2
5. Higher Education	3,984,613.3	224,537.8	3,780,044.5	3,760,075.5
6. Development of Recreation and Sport	67,216.9	403.9	67,072.9	66,813.0
7. Retirement Plans	734,117.5	39,218.5	694,899.0	694,899.0
Total	12,797,857.6	660,036.1	12,229,982.9	12,137,821.5
Total Staff Level (FTEs) (excluding special funds)	1,445	(29)	—	1,474

Program 1: Administration and Consulting

The objective of this program is to administer all programs entrusted to the Department, except for Financial Assistance for Education, and to support the activities of the education networks by providing the services required to carry out their mandates. This program also provides for the operations of consulting and evaluation agencies in the field of education.

The 2006-2007 expenditures budget is \$1.3 million lower than the 2005-2006 budget. To counter certain increases, particularly those resulting from salary increases, the Department had to cut expenditures for overall administration activities.

Program 2: Tourism and Hotel Industry Training

The objective of this program is to provide vocational, technical and university-level training activities in the hotel, restaurant and tourism fields. It also supports research and provides technical assistance and services in these fields.

The increase in the 2006-2007 expenditures budget is \$1.8 million, or 9.7%, and is mainly attributable to repayment of the loan required to carry out renovations to the Institut de tourisme et d'hôtellerie du Québec, which were completed in February 2005. This work was started in 2002-2003 at a cost of \$39.0 million.

Program 3: Financial Assistance for Education

This program promotes access to secondary-level education in professional training and to full- or part-time post-secondary education. It provides financial support to individuals who are deemed to have inadequate financial resources.

The increase in budget expenditures for this program results from an agreement reached with students to bring bursaries up to \$103.0 million over two years. The impact on the 2006-2007 budget is \$42.5 million. Other variants totalling \$17.0 million result from various components of the loans and bursaries program and provision for loans.

Program 4: Pre-school, Primary and Secondary Education

The objective of this program is to make education and educational support services available to schoolchildren, youth or adults, at these levels by providing school boards, subsidized private institutions and various agencies with the financial resources required for their operations and development. It also includes the subsidies for school transportation.

The increase in the program's expenditures is \$335.8 million, or 4.7%. This level of resources will ensure that the quality of services will be maintained, as will the funding of various growth factors in the network. This budget also includes increased resources for students at risk or having social or learning difficulties, plus an increase in resources to meet the 90 minutes increase in classroom teaching time per week.

Program 5: Higher Education

The objective of this program is to make educational services accessible to college and university students by providing the institutions with the financial resources required for their operations and development.

The increase in the program's expenditures is \$224.5 million, or 6.0%. This level of resources will ensure that the quality of services will be maintained, as will the funding of various growth factors in the network.

Program 6: Development of Recreation and Sport

The objective of this program is to promote and encourage recreation and sport activities by supporting community organizations and specific clientele. It also seeks to support volunteer activities, with a special focus on safety in recreational and sports activities.

The expenditures budget is comparable to the 2005-2006 budget.

Program 7: Retirement Plans

This program includes the retirement plans for teachers, government employees, public agencies and supervisory personnel applicable to staff in the networks.

The increase of \$39.2 million is mainly due to indexing of salaries and other adjustments prescribed by the Act Respecting Working Conditions in the Public Sector (2005 c. 43), and agreements.

Capital budget

(thousands of dollars)

	2006-2007	2005-2006
Fixed Assets	31,601.6	40,383.4
Loans, Investments and Advances	138,600.0	138,600.0

Budget-funded agencies and extrabudgetary agency
 (thousands of dollars)

	Forecast 2006-2007		Probable 2005-2006	
	Agency expenditure budget	Portion funded by the Department	Agency expenditure budget	Portion funded by the Department
Budget-funded agencies				
- Commission consultative de l'enseignement privé	103.7	103.7	115.7	115.7
Commission d'évaluation de l'enseignement collégial	2,155.0	2,155.0	2,123.6	2,123.6
Conseil supérieur de l'éducation	2,258.6	2,258.6	2,255.9	2,255.9
Extrabudgetary agency				
Institut de tourisme et d'hôtellerie du Québec ¹	29,646.0	20,612.7	28,457.0	18,789.2

¹ Expenditures budgets of the Institut de tourisme et d'hôtellerie du Québec are based on a fiscal year ending June 30.

EMPLOI ET SOLIDARITÉ SOCIALE

HIGHLIGHTS

- ❑ The Ministère de l'Emploi et de la Solidarité sociale intends to continue its overall strategy for integration into the labour market, in order to involve the greatest possible number of people in Québec's development and prosperity and combat poverty and social exclusion. While sticking to the objectives of the 2005-2008 Strategic Plan, the Department will give priority to certain measures for reducing the numbers of welfare recipients in Québec.
- ❑ Following the government's Action Plan to combat poverty and social exclusion, and with a view to revitalizing and developing neighbourhoods having a high concentration of poverty, the Department intends to create special links with regional conferences of elected representatives and encourage joint interventions by its government partners, so as to give appropriate support to local initiatives.
- ❑ The Department will also implement concrete measures flowing from the government Action Plan to combat poverty and social exclusion, by introducing the Programme d'aide et d'accompagnement social, continuing to reform employment assistance by adopting the draft regulation respecting assistance for individuals and families, which creates the new programs Alternative jeunesse, Aide sociale and Solidarité sociale.
- ❑ The Department encourages involvement in Quebec's economic development and prosperity. It hopes to implement a better continuum of services, designed to foster social and economic participation by all Quebecers. This continuum is being developed within the framework of the Convergence project.

With this in mind, Sécurité du revenu and Emploi-Québec agencies are working together to find an ideal concordance between their resources and their services. It has become clear that the efforts of agency staff must be better combined so that the Service public d'emploi can deal properly with individuals and businesses, and Solidarité sociale can continue to support individuals in need and help them with socio-professional integration.

The Convergence project also fits in with a desire to find new methods for achieving greater efficacy and efficiency and offering modern, accessible and quality services to the public; it intends to set up a continuum of services geared toward employment, which will result in:

- Greater customer satisfaction;
 - Higher employment rates;
 - A lower rate of people receiving social assistance;
 - Creation of a larger human resources pool ready to meet the needs of the labour market;
 - More sustained and better structured accompaniment for businesses.
- The Department will provide administrative services in the fields of human, financial, informational and material resources to certain government departments or State organizations, which will allow them to concentrate on their basic mission and achieve greater productivity and economies of scale. This is in accordance with the government's desire to revise work methods, particularly through the introduction of a shared services approach.
 - The Department also intends to consolidate financial assistance for community organizations that work for collective rights, as well as for community development corporations, while coordinating community and volunteer actions at the government level.

1. Presentation of the Minister's portfolio

The Ministère de l'Emploi et de la Solidarité sociale contributes to Québec's social and economic development, encouraging people to achieve their full potential, by:

- Promoting employment and workforce development and improving the operation of the labour market;
- Providing financial support for the needy as well as combating poverty and social exclusion.

The Department offers its services to the following individuals and organizations:

- People in the workforce with or without jobs, as well as those who do not have sufficient resources to meet their needs;
- Needy families;
- Enterprises;
- Community organizations.

To accomplish its mission, the Ministère de l'Emploi et de la Solidarité sociale has created a new agency which combines public employment and social solidarity services with the office responsible for collecting money due to the Department. The new agency combining employment and social solidarity services represents the Department in Québec's 17 administrative regions through its regional offices, 154 local employment centres (CLEs), the Centre de communication avec la clientèle, two service points, and the Centre d'assistance au placement. These local and regional units are supported by a set of central units.

2. Budgetary Choices

The Department's budgetary choices are based on three strategic directions:

- Encourage a contribution by as many people as possible to the labour market;
- Fight against poverty and social exclusion;
- Modernize the Department's work methods.

In the 2006-2007 fiscal year, the Department intends to consolidate all its activities in accordance with the objectives of its 2005-2008 strategic plan. However, in order to involve the greatest number of people in the labour market, the Department will index its service agreements concluded with community organizations working in the field of employability by about 2.5%.

The Department also hopes to focus on actions to combat poverty and social exclusion, which will have an impact on reducing the number of Quebecers receiving social assistance. Among the actions are the following structuring measures:

- Development of measures to assist young people, designed to support people under 25 in their path toward personal, social and professional autonomy, or those who appear to be at high risk of unemployment;
- Implementation of the Programme d'aide et d'accompagnement social, which will give greater support to people receiving employment assistance who are farther removed from the labour market, in partnership with community organizations. Assistance and social accompaniment will be tailored to the specific needs of each participant. This program will also help prepare a larger human resources pool ready to meet the needs of the labour market;
- Creation of a financial support program for community development corporations.

Taking heed of the government objectives to revise work methods, prune structures and bring services closer to Quebecers' needs, using an approach based on job creation, the Convergence project will encourage the greatest numbers to enter the labour market, introducing a one-stop service for reception, evaluation and reference services for people receiving employment assistance who are able to work.

At the same time the Department will continue activities related to administrative support service agreements signed with the ministère de la Famille, des Aînés et de la Condition féminine and certain bodies of the "Famille, Aînés et Condition féminine" portfolio (Conseil de la famille et de l'enfance, Conseil des aînés and Conseil du statut de la femme) and the Conseil de gestion de l'assurance parentale. It will also continue implementing the agreement in principle signed with the ministère du Travail and certain bodies of the "Travail" portfolio such as the Régie du bâtiment du Québec, the Commission des relations du travail, the Commission de l'équité salariale, the Commissaire de l'industrie de la construction, the Conseil des services essentiels and the Conseil consultatif du travail et de la main-d'œuvre.

Similarly, the Department intends to contribute to government efforts for improving delivery of services to the general public. It will thus give a running start to the new government agency, Services Québec.

The Department will join working groups made up of the new Services Québec agency and departments and government agencies involved with employment for development of online services, so as to integrate the new "Espace Emploi" portal into the "Citoyens" portal as well as into the "Entreprises" portal presently under construction.

In the field of community action the Department will analyze the business vision of all departments and government agencies concerning the way financial aid is granted to community organizations. This study will evaluate the solution developed by the ministère de la Culture et des Communications and examine its adaptation.

3. Budget Plan

The 2006-2007 budget of the "Emploi et Solidarité sociale" portfolio is \$4,033.3 million, \$23.3 million lower than the 2005-2006 probable expenditure.

Expenditure budget by program (thousands of dollars)

	2006-2007		2005-2006	
	Expenditure Budget (1)	Change (2)=(1)-(4)	Expenditure Budget (3)	Probable Expenditure (4)
1. Employment Assistance Measures	795,291.9	2,863.5	792,587.2	792,428.4
2. Financial Assistance Measures	2,757,908.1	(7,409.0)	2,767,010.6	2,765,317.1
3. Administration	480,066.3	(18,740.7)	504,170.7	498,807.0
Total	4,033,266.3	(23,286.2)	4,063,768.5	4,056,552.5
Total Staff Level (FTEs) (excluding special funds)	6,272	(112)	—	6,384

Note: The programs Mesures d'aide à l'emploi and Mesures d'aide financière have provisions that allow the transfer of funds to other government programs for which the probable expenditures are correspondingly increased. Probable expenditure in this program is therefore decreased due to such transfers.

Program 1: Employment Assistance Measures

This program is designed to finance employment assistance measures. It particularly encourages the employment of students in summer jobs in the Québec civil service.

The program's 2006-2007 expenditures budget is \$795.3 million, a \$2.9-million increase over the 2005-2006 probable expenditure. The variance is due to an addition of \$2.0 million to support workers in forestry communities.

Program 2: Financial Assistance Measures

The objective of this program is to make financial assistance services accessible to all citizens who request them and can prove the need, through the income security network and that of the city of Montréal. More specifically, it enables individuals to receive aid of last resort based on the difference between their resources and essential needs. This program also provides the Office de la sécurité du revenu des chasseurs et piégeurs cris with the funds required to support traditional activities of members of that community. As well, this program grants community organizations funding in connection with their overall mission. Moreover, through the Youth Solidarity program, it financially supports young people under age 25 who are fit to work and who apply for employment assistance by offering them the opportunity to take steps to become personally, financially and professionally independent. It also provides appropriations to the Fonds québécois d'initiatives sociales.

The 2006-2007 expenditure budget for this program is \$2,757.9 million, \$7.4 million lower than the 2005-2006 probable expenditure. The variance is due to cancellation of the Programme d'aide aux parents pour leur revenu de travail (APPORT) and of the Programme d'allocation de maternité (PRALMA). Appropriations for 2006-2007 take into account an expected reduction in the number of people needing employment assistance. In accordance with the Plan to combat poverty and social exclusion, the amounts required, particularly for indexation of benefits on January 1, 2006 and for the Programme d'aide et d'accompagnement social, are anticipated.

Program 3: Administration

The purpose of this program is to plan, administer, and coordinate human, financial, material and information resources essential to program management. It also deals with measures for employment assistance, the Commission des partenaires du marché du travail, measures for financial assistance, and development of policies for employment, income security and parental insurance.

The 2006-2007 expenditures budget for this program is \$480.1 million, \$18.7 million lower than the 2005-2006 probable expenditure. This reduction is mainly due to administrative cost-saving measures, but these are partly offset by indexation of salaries. These appropriations also take into account a \$2.1 million transfer from the ministère du Travail pursuant to an administrative services agreement.

Capital budget (thousands of dollars)

	2006-2007	2005-2006
Fixed Assets	1,109.6	1,244.1
Loans, Investments and Advances	1,250.0	1,250.0

The 2006-2007 capital budget is comparable to that of 2005-2006.

Budget-funded agency and extrabudgetary agency
 (thousands of dollars)

	Forecast 2006-2007		Probable 2005-2006	
	Agency expenditure budget	Portion funded by the Department	Agency expenditure budget	Portion funded by the Department
Budget-funded agency				
Commission des partenaires du marché du travail	1,651.0	1,651.0	1,635.2	1,635.2
Extrabudgetary agency				
Cree Hunters and Trappers Income Security Board	21,217.2	21,150.6	19,304.0	19,340.4

Special Funds
Assistance Fund for Independent Community Action
 (thousands of dollars)

	Forecast 2006-2007	Probable 2005-2006
Revenue	23,119.3	27,040.8
Expenditure	23,935.1	27,062.4
Surplus (deficit)	(815.8)	(21.6)
Investment	10.0	8.0
Total Staff Level (FTEs)	25	25

Other sources of special funds income include Loto-Québec, which contributes 5.0% of the previous fiscal year's net income from the operation of government casinos and Loto-Québec's various commercial outlets. The rest comes from the Department. Deficits from the fiscal years 2005-2006 and 2006-2007 will be covered by surpluses in the Fund as of March 31, 2005 and March 31, 2006, respectively.

Labour Market Development Fund

(thousands of dollars)

	Forecast 2006-2007	Probable 2005-2006
Revenue	964,042.5	950,048.8
Expenditure	979,042.8	950,947.2
Surplus (deficit)	(15,000.3)	(898.4)
Investment	—	25.0
Total Staff Level (FTEs)	—	—

This Fund was established on January 1, 1998 to finance the implementation and management of measures and programs related to public employment services. The variances of income and expenses are accounted for by use of accrued surpluses and transfers during the year from the program Mesures d'aide financière in relation to labour market integration contracts and the programme de subventions aux entreprises adaptées, as of the 2006-2007 fiscal year. Deficits from the fiscal years 2005-2006 and 2006-2007 will be covered by surpluses in the Fund as of March 31, 2005 and March 31, 2006, respectively.

Fonds québécois d'initiatives sociales

(thousands of dollars)

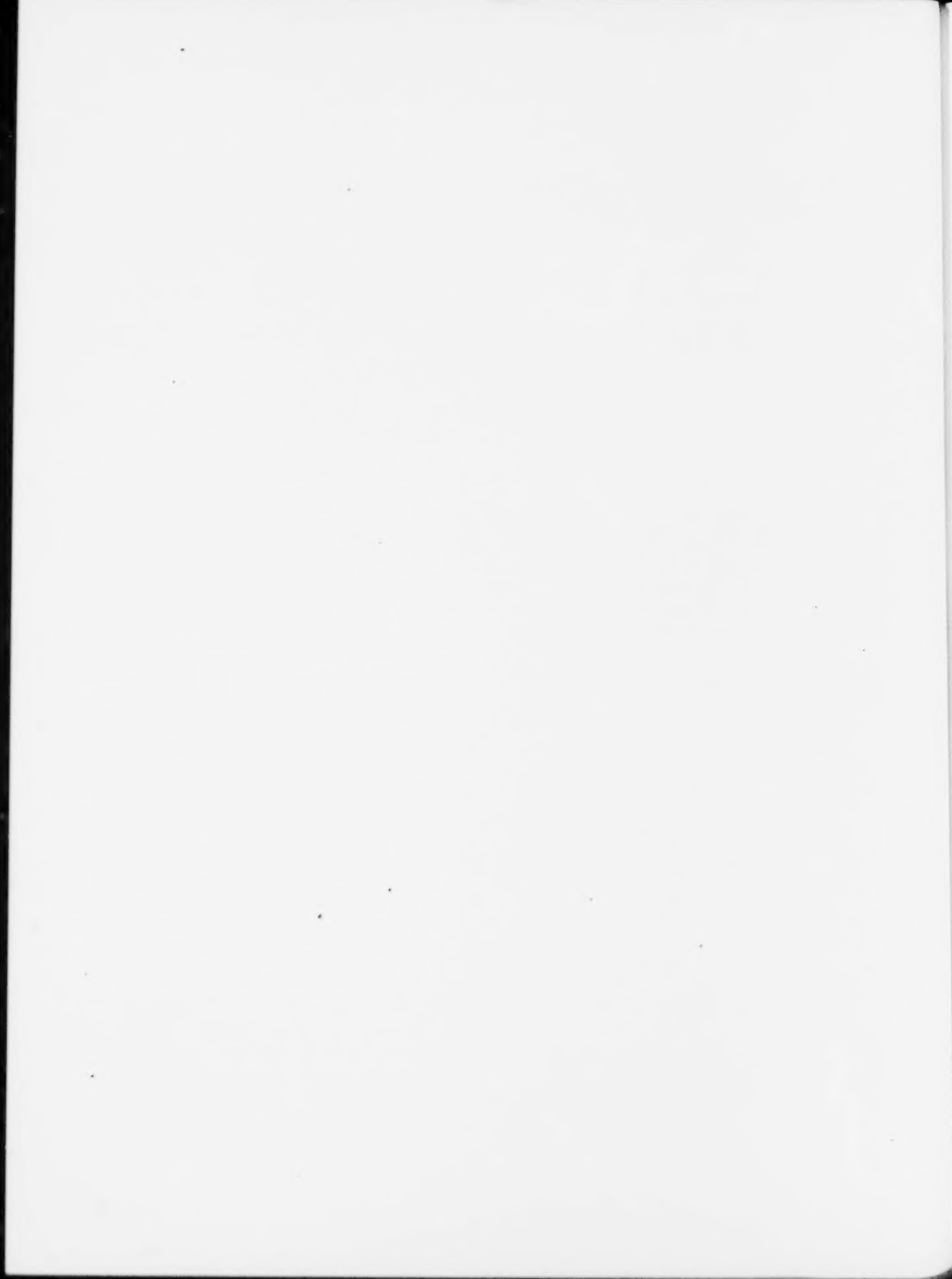
	Forecast 2006-2007	Probable 2005-2006
Revenue	5,656.0	4,800.0
Expenditure	7,573.0	9,300.0
Surplus (deficit)	(1,917.0)	(4,500.0)
Investment	—	—
Total Staff Level (FTEs)	10	10

As part of its strategy to combat poverty and social exclusion and, more specifically as a result of passing the Act to combat poverty and social exclusion (R.S.Q., c. L-7) in December 2002, the Government established the Fonds québécois d'initiatives sociales. This fund, in operation as of April 1, 2003, acquired the rights and assumed the obligations of the Fonds de lutte contre la pauvreté par la réinsertion au travail. Expenditures of \$7.6 million are forecast for the Fonds québécois d'initiatives sociales in the 2006-2007 fiscal year. Deficits from the fiscal years 2005-2006 and 2006-2007 will be covered by surpluses in the Fund as of March 31, 2005 and March 31, 2006, respectively.

Information Technology Fund of the Ministère de l'Emploi et de la Solidarité sociale
(thousands of dollars)

	Forecast 2006-2007	Probable 2005-2006
Revenue	34,172.9	38,813.7
Expenditure	34,172.9	38,813.7
Surplus (deficit)	0.0	0.0
Investment	32,000.0	32,000.0
Total Staff Level (FTEs)	—	—

This Fund was created on April 1, 1996 to finance the Department's information technology needs. Anticipated investments for 2006-2007 will be \$32.0 million, comparable to those for 2005-2006. The 2006-2007 investments will be used for upgrading and for developing informational assets. The cost of investments is generally depreciated over a period of three to five years, depending on whether the investment involves equipment purchases or system development. Depreciation expenses, financial charges and management expenses financed by the Department budget are estimated at \$34.2 million in 2006-2007, compared to \$38.8 million in 2005-2006.



FAMILLE, AÎNÉS ET CONDITION FÉMININE

HIGHLIGHTS

- ❑ The Ministère de la Famille, des Aînés et de la Condition féminine will invest \$1.6 billion to meet day care requirements and enable as many children as possible to benefit from day care services, regardless of their backgrounds.
- ❑ The Department is working to consolidate educational day care services after rigorously developing subsidized places in order to improve the accessibility, quality and management of day care services.
- ❑ The Department intends to recognize in a concrete way its partnership with Community-Family agencies by involving them in the development of family policies.
- ❑ The Department will propose a public policy on work-family balance whose objective is to encourage a better balance between the family, work and living environments of Quebecers.
- ❑ The Department will ensure the consistency and coordination of its governmental interventions with respect to seniors so as to encourage their social, civic, economic and professional contribution to the development of Québec.
- ❑ The Department will develop a government policy aimed at reaching equality between women and men and will coordinate an action plan to implement it. It will also continue to carry out an awareness campaign against domestic violence.
- ❑ Since it is in its final phase of reconstruction, the Public Curator will continue to consolidate its efforts to improve the quality of services to people with disabilities who need to have their rights protected and their estates administered.

1. Presentation of the Minister's portfolio

The Department ensures the consistency of government interventions affecting families, seniors and the rights of women with respect to achieving gender equality.

The Department contributes to Québec's development by fostering:

- The wellness and fulfillment of families and the development of children;
- The social, civic, economic and professional contribution of seniors in Québec's development;
- Equality between women and men.

2. Budgetary Choices

Orientation 1: Create conditions adapted to the new realities of today's families

The Department worked rigorously to develop 200,000 subsidized day care places and now plans to consolidate day care services in order to ensure even better quality of educational day care services, accessibility better adapted to parents' evolving needs, and more cost-effective management of day care services. The implementation of the Educational Childcare Act (2005, c. 47), which involves setting up home childcare coordinating offices, lies within the framework of consolidating day care services.

The attempt to reconcile family and work responsibilities is one of the main difficulties currently experienced by parents on a day-to-day basis. The increase in rates of activity among women in the last 15 years and the aging of the population could increase the number of people who will need to assume responsibilities both at work and at home. Following its consultation in the fall of 2004 with its partners and the general population, the Department intends to take the major step of implementing a government policy on the balance of work and family which may be submitted to the public for consultation. The objective of this policy is to assure a better balance between family, work and living environments.

Family policy is of concern to the government but its implementation requires the concerted contribution of the public, private and community sectors. In this regard, the municipalities, regional conferences of elected representatives and regional county municipalities are important actors upon whom the Department can rely to develop regional cooperation around family-related issues. In addition, community organizations supporting families are also extremely important primary resources that have long shown their ability to respond flexibly to the specific needs of parents and have complemented existing public services. The Department would like these partners to become involved in family policies aimed at balancing work and family.

To support this orientation, the Department plans to carry out the following actions:

- Set up home childcare coordinating offices;
- Continue to implement the plan for continued improvement of the quality of day care services;

- Table regulations arising from the Educational Childcare Act (2005, c. 47), adopted and sanctioned on December 16, 2005;
- Table a draft policy on work-family balance;
- Fund projects presented by municipalities, regional county municipalities and regional conferences of elected representatives;
- Involve community organizations supporting families with the development of family policies.

Orientation 2: Encourage the full contribution of seniors in the development of Québec

During the regional forums held in the spring of 2004 and the Forum des générations held in the fall of 2004, the full participation of seniors in the development of Québec emerged as a priority. The Minister of Families, Seniors and the Status of Women has the mandate of "changing the perception and our ways of viewing the presence of seniors in society" in order to encourage the social, civic, professional and economic participation of seniors. Furthermore, in each of Québec's regions, organizations made up of seniors and retired people participate in actions that contribute significantly to the vitality of the regions as well as Québec. These organizations ensure that seniors will be able to make known the needs brought about by demographic and individual aging and to assert their points of view and expertise in various areas, in local and regional organizations. The Department will focus its interventions on the following two actions aimed at bringing this orientation to the forefront:

- Implement governmental orientations;
- Fund regional consensus-building councils and seniors' organizations within the framework of the Engagés dans l'action pour les aînés du Québec Program.

Orientation 3: Strengthen government interventions aimed at promoting equality between women and men

The government's action program, "Shine Among the Best", proposes a vision of Québec based on a declaration that equality between women and men will serve as a model. Most of the people and organizations that expressed their views to the parliamentary committee reaffirmed the importance of implementing a differentiated analysis based on gender and of continuing interventions to protect the rights of women and eliminate systemic discrimination. Although considerable progress has been made over the past decade to counter domestic violence and sexual assault, continued action by the government remains necessary. Given this situation, the following efforts by the signatory departments of the 2004-2009 Government Action Plan on Domestic Violence and the Plan d'action en matière d'agression sexuelle will continue in order to increase the safety of victims of violence, consolidate services providing assistance and protection to victims, and better manage aggressors. Actions envisioned in accordance with this orientation are as follow:

- Submit draft policies and action plans;
- Publish the summary report on the implementation of governmental commitments with respect to the 2001-2006 action plan to counter sexual assault;

- Submit the annual report on the implementation, by government departments and agencies, of the measures in the 2004-2009 Government Action Plan on Domestic Violence.
- Carry out an awareness campaign against domestic violence.

Orientation 4: Modernize the department's interventions

The Department intends to make the most of its cooperation with its partners by taking advantage of the benefits offered by technology. The electronic delivery of services will therefore simplify the exchange of information and data with day care services, which will also be able to post their financial and annual activities reports online.

3. Budget Plan

Expenditure budget by program (thousands of dollars)

	2006-2007		2005-2006	
	Expenditure Budget (1)	Change (2)=(1)-(4)	Expenditure Budget (3)	Probable Expenditure (4)
1. Planning, Research and Administration	24,479.7	1,394.1	23,862.8	23,085.6
2. Assistance Measures for Families	1,663,333.9	106,430.5	1,568,504.3	1,556,903.4
3. Condition of the elderly	2,867.3	104.7	2,844.1	2,762.6
4. Status of Women	6,838.6	3.8	7,172.8	6,834.8
5. Public Curator	35,754.7	1,960.4	34,027.9	33,794.3
Total	1,733,274.2	109,893.5	1,636,411.9	1,623,380.7
Total Staff Level (FTEs) (excluding special funds)	1,081	(5)	—	1,086

Program 1: Planning, Research and Administration

The objective of this program is twofold. The first objective is to carry out research and to draw up and evaluate policies that encourage the development of families and children in cooperation with government departments and agencies. The second objective of this program is to plan, direct and coordinate the administrative activities that are essential to the management of programs.

The expenditure budget for this program is \$24.5 million in 2006-2007. With respect to the probable expenditure which is \$23.1 million in 2005-2006, the variance is \$1.4 million. This increase is primarily due to the budgetary reorganization of the Department's various programs.

Program 2: Assistance Measures for Families

This program ensures financing of the management of services to family and children. It encourages access to quality educational day care services while ensuring their funding. Another objective of this program is to provide funding for the debt service of childcare centres and pension plans for employees working in the field of childcare services. This program also provides funding to community organizations that work with families as part of their overall mission. Finally, it contributes to the funding of support for children and the operations of the Conseil de la famille et de l'enfance.

The expenditure budget is \$1,663.3 million in 2006-2007 as compared to the probable expenditure of \$1,556.9 million in 2005-2006, representing an increase of \$106.4 million. This variance is mainly due to credits required for the annualization of subsidized places created in day care services in fiscal 2005-2006, the increase in pay scales, and an increase of 2.0% in the salaries of day care workers.

Program 3: Condition of the elderly

This program ensures funding from the Conseil des aînés and the Secrétariat aux aînés to support the promotion of social, civic, economic and professional participation by the elderly in Québec society and to ensure the coherence of government interventions with respect to seniors. Its expenditure budget is comparable to probable expenditures in fiscal 2005-2006.

Program 4: Status of Women

The objective of this program is to promote equality and respect for the rights and status of women. This program aims to ensure the coordination and development of government policies and activities related to the Status of Women. Its expenditure budget is comparable to probable expenditures in fiscal 2005-2006.

Program 5: Public Curator

This program enables the overseeing of the protection of citizens declared to be incapacitated through measures adapted to their condition and their situation. Its objective is to ensure that all decisions concerning them or their assets are made in their interest, that their rights are respected and their autonomy is maintained. The expenditure budget of this program is \$35.8 million as compared to the probable expenditure of \$33.8 million for 2005-2006. This increase of \$2.0 million is due to the addition of credits to improve customer service.

Capital budget

(thousands of dollars)

	2006-2007	2005-2006
Fixed Assets	17,519.5	19,043.1
Loans, Investments and Advances	15,002.0	2.2

The capital budget rises from \$19.0 million to \$32.5 million in 2006-2007. The increase of \$15.0 million in "Loans, Investments and Advancements" will be used to carry out the refundable financial aid program offered to childcare centres experiencing financial difficulties.

Budget-funded agencies

(thousands of dollars)

	Forecast 2006-2007		Probable 2005-2006	
	Agency expenditure budget	Portion funded by the Department	Agency expenditure budget	Portion funded by the Department
Conseil de la famille et de l'enfance	1,153.9	1,153.9	1,124.9	1,124.9
Conseil des aînés	740.2	740.2	727.0	727.0
Conseil du statut de la femme	4,349.8	4,349.8	4,359.2	4,359.2
Public Curator	35,754.7	35,754.7	33,794.3	33,794.3

HIGHLIGHTS

- ❑ The annual Expenditure Management Plan of the Ministère des Finances for the 2006-2007 fiscal year is based on the following orientations:
 - Continue progress in the area of public finances;
 - Develop a fiscal environment which stimulates economic growth while meeting the taxpayers' needs;
 - Correct fiscal imbalance between the federal government and the provinces;
 - Modernize the supervision of the financial sector and legal persons;
 - Develop more effective new methods and internal management.
- ❑ Moreover, the Department's budgetary envelope for the 2006-2007 fiscal year, excluding the debt service and interest on the retirement plans account, will be reduced by some \$19.9 million in relation to the expenditure budget for the 2005-2006 fiscal year.

1. Presentation of the Minister's Portfolio

The Act respecting the Ministère des Finances (R.S.Q., c. M-24.01) confers on the Minister the mission to promote economic development and support the growth of the economy, investment and employment.

For these purposes, the Department advises and supports the Minister and the Government in matters of public finance, leading it to formulate and propose policies in the economic, fiscal, budgetary, financial and accounting fields, as well as financial assistance and fiscal incentive measures.

As a central body, the Department has an advisory role with the Minister and the Government and ensures implementation of government decisions in financial matters. In addition to monitoring the government's financial position and the state of the Québec economy, the Department performs the following functions:

- Prepare the Budget Speech and deliver it to the National Assembly;
- Establish and propose the overall level of expenditures to the Government;
- Propose orientations to the Government on revenue matters, and advise the Government on its investments;
- Monitor, control and manage all matters related to State finances;
- Manage the consolidated revenue fund and the public debt;
- Cause of the public accounts and other financial reports of the Government;
- Develop policies and orientations on capital expenditures, in conjunction with the Conseil du trésor, and establish the level of financial commitments inherent in the renewal of the collective agreements;
- Develop and propose to the Conseil du trésor the accounting policies which must be followed by the departments and agencies, the rules respecting payments made out of the consolidated revenue fund and the rules governing the collection and management of State revenue.

2. Budgetary Choices

The information on the programs is specified in the budget plan in the next section. The budgetary choices for the 2006-2007 fiscal year are presented on the basis of the following five major orientations:

Allocation of Budgetary Resources by Orientation

ORIENTATIONS	Expenditure Budget	
	%	(in millions of \$)
Continue progress in the area of public finances	47.7	69.3
Bank Charges (Program 2, Element 3)		11.3
Various program elements: 577 FTEs		58.0
Develop a fiscal environment which stimulates economic growth while meeting the taxpayers' needs	40.3	58.5
Provision for revenue initiatives (Program 2, Element 6)		47.7
Various program elements: 108 FTEs		10.8
Correct fiscal imbalance between the federal government and the provinces	0.8	1.1
Various program elements: 11 FTEs		1.1
Modernize the supervision of the financial sector and legal persons	8.9	13.0
Fiscal and Financial Affairs and Institutional Research (Program 2, Element 5)		9.6
Various program elements: 34 FTEs		3.4
Develop more effective new methods and internal management	2.3	3.3
Various program elements: 33 FTEs		3.3
Total =	100.0	145.2

These figures exclude the following program elements:

- Institut de la statistique du Québec (Program 1, Element 2):	\$14.3 million
- Debt Service and Interest on the Retirement Plans Account (Program 3, Elements 1 and 2)	\$7,205.0 million
	<u>\$7,219.3 million</u>

Orientation 1: Continue progress in the area of public finances

Percentage of budgetary resources: 47.7%.

Objectives:

The objectives relating to public finances are divided according to three lines of intervention: balanced budget; financing and debt management; discipline and transparency.

Most of the Department's staff levels are allocated to this orientation because it encompasses the Department's central and recurring activities: preparation of the government's budget, financing of public sector operations, debt management at optimum cost, and publication of public accounts and the quarterly presentation of financial transactions of the Government.

Actions envisioned

- Preparation and implementation of a financial agreement with the municipalities;
- Publication of the public accounts and a monthly financial report;
- Support for the implementation of SAGIR in all departments and agencies;
- Implementation of a debt reduction plan;
- Implementation of the budget process in view of the 2007-2008 Budget;
- Participation in meetings with foreign investors and credit agencies.

Orientation 2: Develop a fiscal environment which stimulates economic growth while meeting the taxpayers' needs

Percentage of budgetary resources: 40.3%.

Objectives:

The objectives relating to the fiscal environment are divided according to three lines of intervention: relieving the personal tax burden, fiscal competitiveness of businesses, and fairness and simplification of the tax system.

The staff levels for this orientation are primarily allocated to two sectors: Politiques économiques et fiscales as well as Droit fiscal et fiscalité. However, the resources allocated to this issue represent nearly half of the Department's budgetary resources, particularly due to the Provision for revenue initiatives, which seeks to fund projects to combat tax evasion.

Actions envisioned

- Analysis of the proposals intended to support economic and social development;
- Proposal of changes to the personal and corporate tax system so that it provides incentive for work, investment, innovation and job creation;

- Continuation of the efforts to ensure the equity, competitiveness and simplicity of taxation;
- Determination of measurements of the impact of taxation on economic activity by means of the general equilibrium model;
- Continuation of the efforts to counter tax evasion, particularly by targeting the restaurant and tobacco products sectors.

Orientation 3: Correct fiscal imbalance between the federal government and the provinces

Percentage of budgetary resources: 0.8%.

Objectives:

The objectives relating to federal-provincial relations are divided according to three lines of intervention: shared-cost programs, such as health and education, the equalization program and Québec's leadership in the negotiations between the provinces and the federal government, particularly within the framework of the Council of the Federation.

The Department works in collaboration with the Secrétariat aux Affaires intergouvernementales canadiennes on issues involving federal-provincial negotiations and, more specifically those pertaining to fiscal imbalance, which has major financial issues at stake for Québec.

Actions envisioned

- Analysis and monitoring of the report of the federal Panel of Experts, which has the objective of reviewing the terms of calculation of equalization payments;
- Analysis and monitoring of the report of the Council of the Federation Advisory Panel on Fiscal Imbalance;
- Development of Québec's position within the context of the federal-provincial negotiations on fiscal imbalance;
- Participation of the Minister in the federal-provincial Finance Ministers Meetings.

Orientation 4: Modernize the supervision of the financial sector and legal persons

Percentage of budgetary resources: 8.9%.

Objectives:

The objectives relating to the modernization of the financial sector are divided among three lines of intervention: improvement of the protection of investors by revision of the legislative framework; harmonization of the securities system regulations with the other provinces; revision of the supervision of legal persons and partnerships.

Actions envisioned

- Amendments to the laws governing the financial sector, allowing better supervision of financial institutions and their intermediaries;
- Legislative amendments for complete integration of the passport system for securities regulation;
- Publication of a consultation document on the reform of partnership law;
- Preparation of proposals on the revision of the Companies Act (R.S.Q., c. C-38).

Orientation 5: Develop more effective new methods and internal management

Percentage of budgetary resources: 2.3%.

Objectives:

The objectives relating to modernization of the State are divided according to four lines of intervention: examination of new modes of financing public services and infrastructure, the mandate and rules of governance of government corporations with an economic mission, the development of e-Government and forward-looking human resources management.

Actions envisioned

- Implementation of the capital expenditure plan of the Société de financement des infrastructures locales du Québec, jointly with the Ministère des Transports and the Ministère des Affaires municipales et des Régions;
- Participation in various interdepartmental committees relating to public-private partnerships;
- Publication of the new policy on the governance of government corporations;
- Promotion of adherence to direct deposit, within the context of the development of e-Government;
- Implementation of SAGIR in the Ministère des Finances;
- Implementation of a strategy for commercialization of research and various measures for attraction and retention of personnel.

3. Budget Plan

Expenditure budget by program (thousands of dollars)

	2006-2007		2005-2006	
	Expenditure Budget (1)	Change (2)=(1)-(4)	Expenditure Budget (3)	Probable Expenditure (4)
1. Department Administration	43,238.5	2,710.6	43,218.3	40,527.9
2. Budget and Taxation Policy, Economic Analysis and Administration of Government Financial and Accounting Activities	116,311.8	60,476.5	136,267.2	55,835.3
3. Debt Service and Interest on the Retirement Plans Account	7,205,000.0	356,000.0	6,849,000.0	6,849,000.0
Total	7,364,550.3	419,187.1	7,028,485.5	6,945,363.2
Total Staff Level (FTEs) (excluding special funds)	763	(12)	—	775

Note: The Budget and Taxation Policy, Economic Analysis and Administration of Government Financial and Accounting Activities Program includes a provision that allows transfers to other government programs where the probable expenditure is increased accordingly. Probable expenditure in this program is decreased due to such transfers.

The \$419.2-million net increase in the 2006-2007 expenditure budget in relation to the 2005-2006 probable expenditure is mainly explained by an increase in expenditures under the Debt Service and Interest on the Retirement Plans Account Program.

Program 1: Department Administration

The objective of this program is to ensure the administration of the Department and central services concerning planning, coordination, public affairs and management support. Finally, its purpose is also to provide statistical information on the situation of Québec.

Program 2: Budget and Taxation Policy, Economic Analysis and Administration of Government Financial and Accounting Activities

The objective of this program is to handle the administration of the Government's financial and accounting activities, develop orientations on taxation and budgetary matters, and perform economic analyses and institutional research.

The \$60.5-million variation in this program is mainly attributable to the Provision for revenue initiatives. Indeed, this provision allows transfers to other departments where probable expenditure is increased accordingly, whereas the probable expenditure in this program of the Ministère des Finances is decreased due to such transfers.

Program 3: Debt Service and Interest on the Retirement Plans Account

The objective of this program is to fund the payment of interest on the direct debt and the retirement plans account.

The program's expenditures, which total \$7,205.0 million, are broken down into two elements:

- Direct Debt Service: The appropriations required to assume the cost of government borrowing are included under this program element; **\$4,546.0 million**
- Interest on Retirement Plan Accounts: The appropriations required to handle the cost of interest on the actuarial obligation of government retirement plans less investment income from the Retirement plans sinking fund are entered under this program element. **\$2,659.0 million**

The 2006-2007 expenditure budget allocated to this program increases by \$356.0 million in relation to the 2005-2006 probable expenditure. This increase is essentially explained by the forecast increase in interest rates.

Capital budget

(thousands of dollars)

	2006-2007	2005-2006
Fixed Assets	3,376.0	4,981.0
Loans, Investments and Advances	4.0	4.0

The forecast capital expenditures will mainly serve to upgrade the computer systems, reorganization of the financial statements system and the pursuit of the project for implementation of an integrated resources management package (SAGIR). The \$1.6-million decrease is mainly explained by a review of computer hardware needs and a re-evaluation of information technology development projects.

Extrabudgetary agencies
 (thousands of dollars)

	Forecast 2006-2007		Probable 2005-2006	
	Agency expenditure budget	Portion funded by the Department	Agency expenditure budget	Portion funded by the Department
Autorité des marchés financiers	72,690.0	—	63,175.0	—
Bureau de décision et de révision en valeurs mobilières	2,156.0	—	1,668.1	—
Institut de la statistique du Québec	22,985.6	14,289.5	23,507.9	13,393.6
Société de financement des infrastructures locales du Québec	593,074.0	—	6,149.0	—

Special Funds
Financing Fund
 (thousands of dollars)

	Forecast 2006-2007	Probable 2005-2006
Revenue	549,374.5	472,518.3
Expenditure	536,273.1	456,793.2
Surplus (deficit)	13,101.4	15,725.1
Investment	6.0	—
Total Staff Level (FTEs)	17	17

The Financing Fund, constituted by the Act respecting the Ministère des Finances (R.S.Q., c. M-24.01), is designed to provide financing and other financial services for agencies included within the government's reporting entity such as special funds and government corporations.

The increase in the fund's volume and, to a lesser degree, the expected increase in interest rates in 2006-2007, essentially explain the growth of revenues and expenditures.

Horse-Racing Industry Fund

(thousands of dollars)

	Forecast 2006-2007	Probable 2005-2006
Revenue	12,500.0	13,380.0
Expenditure	12,500.0	13,380.0
Surplus (deficit)	0.0	0.0
Investment	—	—
Total Staff Level (FTEs)	—	—

The Horse-Racing Industry Fund is constituted under the Act respecting the Ministère de l'Agriculture, des Pêcheries et de l'Alimentation (R.S.Q., c. M-14). Its purpose is to support the horse-racing industry. It is primarily made up of amounts disbursed by the Ministère du Revenu representing the proceeds of the tax on pari-mutuel betting. These amounts are distributed among the Société du cheval de course and the racing permit holders covered by the Act respecting racing (R.S.Q., c. C-72.1).

Special Olympic Fund

(thousands of dollars)

	Forecast 2006-2007	Probable 2005-2006
Revenue	33,000.0	70,800.0
Expenditure	33,000.0	70,800.0
Surplus (deficit)	0.0	0.0
Investment	—	—
Total Staff Level (FTEs)	—	—

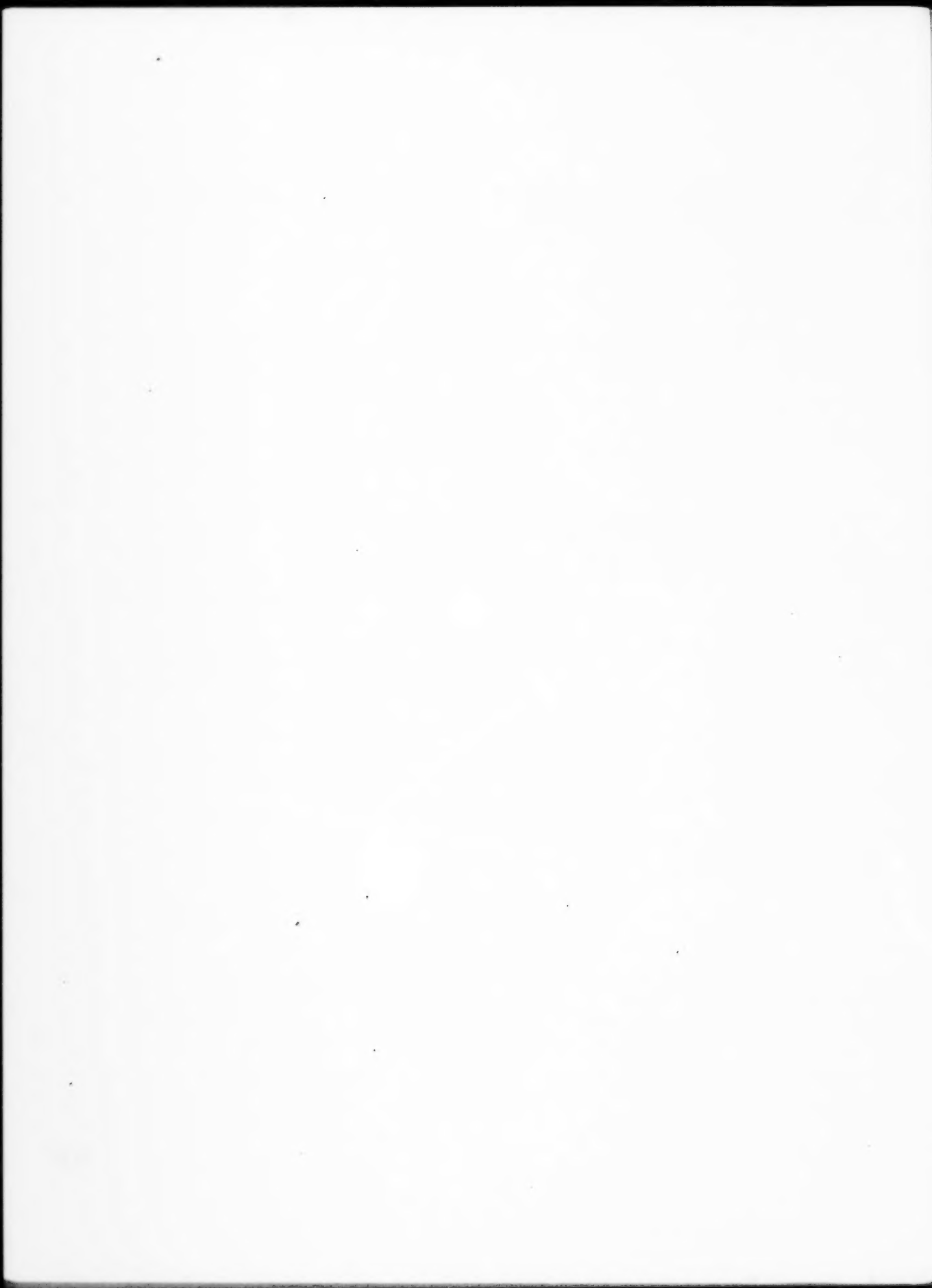
The Special Olympic Fund was constituted in 1976 by the Act to constitute a special Olympic fund (R.S.Q., 1976, c. 14). The Fund and the revenue it derives from the special tax on tobacco are allocated exclusively to paying off the principal and interest on loans taken out by the Régie des installations olympiques and to completing the Olympic installations.

The extinction of the Olympic debt in 2006-2007 explains the variation of revenues and expenditures.

Fonds du centre financier de Montréal
(thousands of dollars)

	Forecast 2006-2007	Probable 2005-2006
Revenue	1,275.5	1,242.5
Expenditure	1,153.4	1,510.9
Surplus (deficit)	122.1	(268.4)
Investment	—	—
Total Staff Level (FTEs)	—	—

The Fonds du centre financier de Montréal was constituted by the Act respecting International financial centres (R.S.Q., c. C-8.3). This Fund's revenue serves to finance activities to promote and develop Montréal as an international financial centre. The fund is financed via the allocation of \$0.5 million in budget appropriations from the Budget and Taxation Policy, Economic Analysis and Administration of Government Financial and Accounting Activities Program and from \$0.8 million in fees levied on international financial centres.



IMMIGRATION ET COMMUNAUTÉS CULTURELLES

HIGHLIGHTS

- The 2006-2007 expenditure budget for the "Immigration et Communautés culturelles" portfolio is \$105.7 million, \$105.0 million of which is allocated to the Ministère de l'Immigration et des Communautés culturelles and \$0.7 million to the Conseil des relations interculturelles.
- The amount allocated to the Ministère de l'Immigration et des Communautés culturelles is designed to support commitments in the areas of immigration, integration and francization of new arrivals, intercultural relations and regionalization of immigration.
- The Department's budget priorities are to accomplish the objectives of the Plan stratégique 2005-2008 and the Plan d'immigration du Québec pour l'année 2006, as well as continuing to implement measures of the 2004-2007 Action Plan "Des valeurs partagées, des intérêts communs."

1. Presentation of the Minister's Portfolio

The mission of the Ministère de l'Immigration et des Communautés culturelles is to:

- Promote immigration to Québec, select immigrants and facilitate the linguistic, social and economic integration of newcomers to Québec society;
- Cultivate a society open to pluralism and conducive to intercultural rapprochement.

The mission of the Conseil des relations interculturelles is to advise the Minister on intercultural relations and integration of immigrants, with specific emphasis on being open to pluralism and intercultural rapprochement.

2. Budgetary Choices

The 2006-2007 expenditure budget of the portfolio is \$105.7 million, \$105.0 million of which is allocated to the Ministère de l'Immigration et des Communautés culturelles and \$0.7 million to the Conseil des relations interculturelles. The Department's share is intended to support two budgetary choices.

First budgetary choice: Accomplishing the objectives of the Plan stratégique 2005-2008 and the Plan d'immigration du Québec pour l'année 2006, and continuing to implement measures of the 2004-2007 Action Plan "Des valeurs partagées, des intérêts communs."

This budgetary choice endeavours to recognize the strategic contribution immigration and cultural communities make to Québec's development and prosperity. It is divided among the following four strategic orientations:

- **Orientation 1:** Stimulate an adapted immigration offering and select applicants who meet Québec's needs
- **Orientation 2:** Support the integration of newcomers and foster stable entry into the job market
- **Orientation 3:** Promote citizens' increased understanding of diversity and contribute to extending its reach
- **Orientation 4:** Encourage the commitment of local and regional groups in the areas of immigration, integration, and intercultural relations

The Department devotes \$85.6 million to this first budgetary choice.

The basic budget for activities to stimulate an adapted supply of immigrants and select potential immigrants who meet Quebec's needs is \$4.5 million. Additional income from net voted appropriations¹ will allow us to finance additional expenses of these activities and accomplish the objectives of the Plan d'immigration du Québec pour l'année 2006.

¹ Income derived from the net voted appropriations comes from duties levied on files that have to do with immigrant selection.

The Department plans to spend a total of \$70.5 million on supporting the integration of newcomers and fostering stable entry into the job market. This amount breaks down as follows:

- \$24.7 million for welcoming immigrants and helping them integrate, with special emphasis on finding jobs for them; the Department will add \$4.0 million to the budget for activities and projects designed to facilitate recognition of credentials and skills acquired elsewhere;
- \$45.8 million for French classes, be they full-time, part-time, specially designed or in the workplace, and financial assistance for students.

The Department intends to allocate \$5.3 million to meeting objectives for promoting a better understanding of diversity and extending its reach. This envelope will help encourage intercultural rapprochement and dialogue, as well as the fight against discrimination.

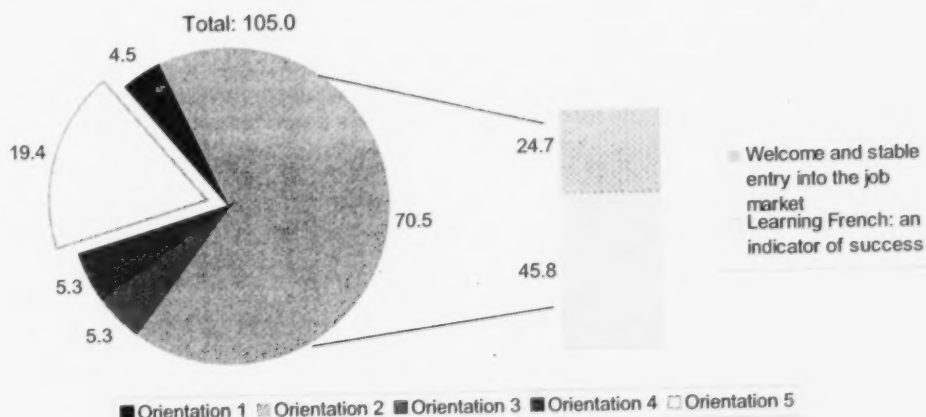
The Department will continue to give priority to activities that attract commitments by local and regional authorities in the fields of immigration, integration and intercultural relations with a \$5.3-million allocation for 2006-2007.

Second budgetary choice: This budgetary choice represents the Department's contribution to State modernization and improving the quality of customer services.

- **Orientation 5:** Modernize service delivery and provide a motivating work environment

A \$19.4-million budget is earmarked for the second budgetary choice of modernizing service delivery, creating a motivating work environment and improving the overall quality of its customer services. This amount will also finance the Department's infrastructure and centralized management services.

**Allocation of the expenditure budget by orientations
(millions of dollars)**



The next section gives details of the Department's main goals for each of the two budgetary choices in 2006-2007.

First budgetary choice: To accomplish the objectives of the Plan stratégique 2005-2008 and the Plan d'immigration du Québec pour l'année 2006, as well as continuing to implement aspects of the 2004-2007 Action Plan "Des valeurs partagées, des intérêts communs" by meeting the following goals:

- Stimulate a supply of permanent and temporary immigration based on the needs of Québec City, greater Montréal, and the regions;
- Accelerate and personalize the immigrant integration process while facilitating accreditation of diplomas and skills acquired abroad;
- Accelerate the learning of French by immigrants and reduce waiting times;
- Increase openness to diversity by encouraging intercultural contact and dialogue;
- Encourage the inclusion of immigration as a development factor by drawing up regional action plans and signing agreements with regional conferences of elected representatives and municipalities.

Second budgetary choice: To accomplish the objectives related to the second issue of the Department's Plan stratégique 2005-2008, in particular by meeting the following goals:

- Improve customer services, giving priority to online services;
- Make sure that the Department's programs and services meet the evolving needs of the clientele.

3. Budgetary Plan

The 2006-2007 expenditure budget of the "Immigration et Communautés culturelles" portfolio is \$105.7 million, a 5.7% increase over the 2005-2006 probable expenditure of \$100.1 million. This increase will serve to cover annual salary hikes for State employees, enlarge the supply of francisation services in preparation for higher numbers expected under the Plan d'immigration du Québec pour l'année 2006, and support projects designed to facilitate recognition of credentials and skills acquired elsewhere.

Expenditure budget by program (thousands of dollars)

	2006-2007		2005-2006	
	Expenditure Budget (1)	Change (2)=(1)-(4)	Expenditure Budget (3)	Probable Expenditure (4)
1. Immigration, Integration and Cultural Communities	105,033.1	5,634.1	98,099.5	99,399.0
2. Organization Reporting to the Minister	726.2	30.8	714.7	695.4
Total	105,759.3	5,664.9	98,814.2	100,094.4
Total Staff Level (FTEs) (excluding special funds)	983	(15)	—	998

Program 1: Immigration, Integration and Cultural Communities

All activities related to immigration, integration, francization, intercultural relations and regionalization, including related matters of planning, research, administration and centralized support are combined within this program. The additional budgets granted to the Department in 2006-2007 will be allocated to direct customer services, especially in preparation for an increase in demand for francization due to a planned increase in immigration numbers, and to set up a strategy for overcoming obstacles to employment, in particular those relating to recognition of training and experience acquired elsewhere and entry into professional associations.

Program 2: Organization Reporting to the Minister

This program is intended to provide the Department with insight into special problems related to integration and intercultural relations. Because it has specific mandates, the Conseil des relations interculturelles will receive a 4.4% increase in 2006-2007 compared to its probable expenditure in 2005-2006.

Capital budget (thousands of dollars)

	2006-2007	2005-2006
Fixed Assets	5,531.0	5,531.0
Loans, Investments and Advances	184.0	185.0

The Department uses its capital budget primarily for renewing the computer base and for developing computer resources. It will allow the Department to come up with new online francization services for immigrants. Moreover, the budget will enable upgrading the technological infrastructure as well as adapting the corporate system to electronic service delivery for its clientele and partners.

Budget-funded agency
(in thousands of dollars)

	Forecast 2006-2007		Probable 2005-2006	
	Agency expenditure budget	Portion funded by the Department	Agency expenditure budget	Portion funded by the Department
Conseil des relations interculturelles	726.2	726.2	695.4	695.4

JUSTICE

HIGHLIGHTS

- ❑ The expenditure budget of the Ministère de la Justice amounts to \$630.9 million in 2006-2007, an increase of \$7.7 million over the probable expenditure for 2005-2006.
- ❑ The main budgetary choices included in the annual Expenditure Management Plan concern the establishment of the entity supporting the Director of Criminal and Penal Prosecutions, and the increase in the legal aid eligibility thresholds.
- ❑ The Department's concerns in the year ahead will especially focus on improvement of services to the public, particularly in terms of access to the justice system and compensation of crime victims.

1. Presentation of the Minister's Portfolio

This document concerns the Department, the Conseil de la justice administrative, the Commission des droits de la personne et des droits de la jeunesse, the Office de la protection du consommateur and the extrabudgetary agencies subsidized by the Department, namely the Commission des services juridiques, the Fonds d'aide aux recours collectifs and the Tribunal administratif du Québec.

The Department's mission is to assure the rule of law in Québec society and to maintain the trustworthiness and integrity of the justice system in Québec, so as to promote respect for individual and collective rights.

For this purpose, the Minister of Justice assumes the roles and responsibilities devolving on him under the Act respecting the Ministère de la Justice (R.S.Q., c. M-19), notably by exercising the functions of administrator of justice, Attorney General, legal adviser, registrar and Notary General of Québec.

He provides access to a high-quality justice system and offers his support to the judiciary as a whole. He oversees the sound administration of public affairs and advises the government on the legality of its actions. He supports it in preparing laws and regulations. Moreover, in his role as Attorney General, he represents the government in civil matters before the courts or in certain public inquiries. Finally, he establishes the government's public policies on justice, including criminal and penal matters.

In his capacity as registrar, the Minister ensures the registration and retention of the documents entrusted to him, the keeping of the Register of Personal and Movable Real Rights, the Register of Lobbyists and the Register of Civil Status and the management of keys and certificates within the context of the Government Public Key Infrastructure.

The mission of the Conseil de la justice administrative is to support public confidence in administrative justice with respect to the Tribunal administratif du Québec, the Commission des lésions professionnelles and the Régie du logement.

The mission of the Commission des droits de la personne et des droits de la jeunesse is to enforce the Québec Charter of Human Rights and Freedoms (R.S.Q., c. C-12) and ensure its promotion. It also administers the Act respecting equal access to employment in public agencies (R.S.Q., c. A-2.01) and enforces the rights recognized by the Youth Protection Act (R.S.Q., c. P-34.1).

The mission of the Office de la protection du consommateur is to protect the rights of consumers and enforce the Consumer Protection Act (R.S.Q., c. P-40.1).

The mandate of the Commission des services juridiques is to ensure that legal aid is provided, to the extent called for by law and regulations, to individuals who are financially eligible for it.

The purpose of the Fonds d'aide aux recours collectifs is to help fund class actions and to disseminate information regarding the bringing of such actions.

Finally, the Tribunal administratif du Québec has the authority to rule on appeals filed against administrative decisions rendered by various public administration authorities such as the departments, régies, commissions, municipalities and health care institutions.

The Director of Criminal and Penal Prosecutions directs criminal and penal prosecutions in Québec for the government.

Specific extrabudgetary agencies, namely the Office des professions du Québec and the Société québécoise d'information juridique, which are under the Minister's responsibility and for which the budget does not appear in the 2006-2007 Expenditure Budget, are not covered in this document, because they are funded from the contributions required from their membership, with respect to the Office des professions du Québec, and by the sale of goods and services, in the case of the Société québécoise d'information juridique.

The role of the Office des professions du Québec is to see to it that all the professional orders protect the public. When it deems appropriate, it suggests that new orders be formed, that existing orders be merged or dissolved, or that changes be made to the laws that govern them.

The Société québécoise d'information juridique has the mandate to promote research, processing and development of legal information with a view to improving its quality and accessibility for the community's benefit.

2. Budgetary Choices

The increase in the Department's expenditure budget is allocated to two items in particular, first, the increase in legal aid eligibility thresholds and, second, the pay increases generally granted to government employees and those more specifically intended for certain groups of lawyers and their supervisory staff.

The establishment of the Director of Criminal and Penal Prosecutions has led to substantial budget restructuring within the portfolio, particularly the creation of a specific program, as well as the transfer to this program of the expenditure budget of the former Direction générale des poursuites publiques and the operating and support expenditures that were assumed by the Department's other entities.

Moreover, the Department intends to pursue its efforts to improve the quality of services to the public, particularly in matters of access to the justice system. In line with this intention, it will extend to all courthouses the field of intervention of the Centre de communication avec la clientèle, which enables the public to receive consultation and information services from a single window. Six courthouses are already linked to it. The influx of requests for information processed in this way is also bound to grow. In addition, partnerships will be established with Services Québec for certain other services. Finally, in its concern for adapting its services to clients' needs, the Department will continue to think about compensation of crime victims, which could influence the budgetary choices to be made during the year.

3. Budget Plan

Expenditure budget by program (thousands of dollars)

	2006-2007		2005-2006	
	Expenditure Budget (1)	Change (2)=(1)-(4)	Expenditure Budget (3)	Probable Expenditure (4)
1. Judicial Activity	77,673.9	1,874.3	76,341.0	75,799.6
2. Administration of Justice	268,199.6	(2,383.7)	277,937.4	270,583.3
3. Administrative Justice	10,162.1	(721.9)	10,902.2	10,884.0
4. Assistance to Persons Brought before the Courts	208,902.2	(3,804.7)	195,325.4	212,706.9
5. Protection Organizations Reporting to the Minister	7,733.8	259.9	7,563.0	7,473.9
6. Criminal and Penal Prosecutions	58,190.0	12,508.2	45,589.8	45,681.8
Total	630,861.6	7,732.1	613,658.8	623,129.5
Total Staff Level (FTEs) (excluding special funds)	3,685	(48)	—	3,733

Program 1: Judicial Activity

This program enables the courts of the various jurisdictions to exercise their judicial powers and the various related jurisdictional functions, be it rendering a judgment or promoting the resolution of disputes through judicial conciliation. It includes the activities related to the ethical rules applicable to the judiciary, professional improvement for judges and the necessary administrative support. It also concerns the committee responsible for evaluating the remuneration, the pension plan and other employment benefits of the judges of the Court of Québec and the municipal courts and presiding justices of the peace as well as presenting recommendations to the government. This program's expenditure budget is \$77.7 million in 2006-2007, up \$1.9 million. This increase is mainly attributable to pay increases for personnel.

Program 2: Administration of Justice

The purpose of this program is to assure the necessary administrative support for the operation of the law courts and publication of rights and to provide legal, legislative and regulatory support to all government activities.

This program's expenditure budget is \$268.2 million in 2006-2007, down \$2.4 million. This decrease results mainly from a reallocation of the expenditure budget to the new Criminal and Penal Prosecutions program. It involves expenditures that were assumed centrally by the Department, particularly with regard to rents, employer contributions and administrative services.

Program 3: Administrative Justice

This program represents the Department's contribution to the funding of the Tribunal administratif du Québec. The function of the Tribunal, in the cases specified in the Act respecting administrative justice (R.S.Q., c. J-3), is to rule on appeals of decisions rendered by a government administrative authority or by a decentralized authority. This program also includes the Conseil de la justice administrative, an agency concerned with professional ethics, which oversees the members of the various administrative tribunals. This program's expenditure budget is \$10.2 million, down \$0.7 million. This stems from the fact that the Department's contribution to the funding of the Tribunal administratif du Québec is lower than for last year.

Program 4: Assistance to Persons Brought before the Courts

The objective of this program is to assure legal, financial and social assistance to low-income and economically disadvantaged individuals and to children and families faced with social problems related to justice. It is also meant to ensure financial compensation to persons who have been injured as a result of good citizenship and to crime victims. The assistance offered translates into legal aid, class-action assistance, good citizenship assistance and compensation to crime victims. Moreover, through the Commission des droits de la personne et des droits de la jeunesse, it sees to the enforcement of the Québec Charter of Human Rights and Freedoms. This program's expenditure budget is \$208.9 million in 2006-2007, up \$13.6 million over the 2005-2006 expenditure budget. This increase is mainly explained by the pay review of the permanent employees of the Commission des services juridiques and the revision of the legal aid eligibility thresholds. Moreover, the \$3.8-million decrease in relation to the 2005-2006 probable expenditure is due to the increase in compensation paid to crime victims.

Program 5: Protection Organizations Reporting to the Minister

The purpose of this program, administered by the Office de la protection du consommateur, is to ensure the protection of the public's rights regarding the administration of the Consumer Protection Act. This protection translates into the receiving and processing of consumer complaints, appraisal of the goods or services offered to consumers, and information offered to the population regarding consumer protection. This program's expenditure budget shows a slight increase of \$0.3 million, amounting to \$7.7 million in 2006-2007.

Program 6: Criminal and Penal Prosecutions

This program, administered by the Director of Criminal and Penal Prosecutions, allows him to act as prosecutor in criminal and penal matters.

This new program's expenditure budget is \$58.2 million for 2006-2007. It is essentially composed of the expenditure budget of the Direction générale des poursuites publiques, a former item of Program 2, to which is added the expenditure budget corresponding to certain expenditures that were assumed centrally for this directorate.

Capital budget
(thousands of dollars)

	2006-2007	2005-2006
Fixed Assets	17,753.8	22,962.2
Loans, Investments and Advances	43.1	46,716.3

The capital budget is \$17.8 million, down \$5.2 million, mainly attributable to the delivery in 2005-2006 of certain bigger computer systems. The major reduction in Loans, Investments and Advances is explained by the exceptional \$46.0-million adjustment to enable the Commission des services juridiques and the Tribunal administratif du Québec to switch from cash accounting to accrual accounting in accordance with their auditors' recommendations.

Budget-funded agencies and extrabudgetary agencies
(thousands of dollars)

	Forecast 2006-2007		Probable 2005-2006	
	Agency expenditure budget	Portion funded by the Department	Agency expenditure budget	Portion funded by the Department
Budget-funded agencies				
Committee on Judges' Remuneration for the Court of Québec and the Municipal Courts	200.0	200.0	200.0	200.0
Commission des droits de la personne et des droits de la jeunesse	14,194.1	14,194.1	13,957.8	13,957.8
Conseil de la justice administrative	387.6	387.6	373.9	373.9
Conseil de la magistrature	845.4	845.4	893.6	893.6
Office de la protection du consommateur	7,733.8	7,733.8	7,536.1	7,536.1
Tribunal des droits de la personne	193.8	193.8	193.8	193.8
Extrabudgetary agencies				
Commission des services juridiques	134,422.6	132,971.8	128,437.4	124,758.4
Fonds d'aide aux recours collectifs	1,719.8	718.3	1,487.4	713.6
Office des professions du Québec	6,533.0	—	6,328.6	—
Société québécoise d'information juridique	13,350.0	—	12,000.0	—
Tribunal administratif du Québec	28,606.3	9,774.5	27,668.6	10,469.5

Special Funds

Fonds d'aide aux victimes d'actes criminels

(thousands of dollars)

	Forecast 2006-2007	Probable 2005-2006
Revenue	12,621.7	14,021.5
Expenditure	12,619.5	9,451.5
Surplus (deficit)	2.2	4,570.0
Investment	4.0	3.5
Total Staff Level (FTEs)	5	5

The Fonds d'aide aux victimes d'actes criminels is dedicated mainly to funding the Crime Victims Assistance Centres (CVAC). Its revenues essentially come from compensation surcharges collected under the Criminal Code, the penal contribution and the sharing of monies recovered in the context of the fight against the proceeds of crime.

Register Fund of the Ministère de la Justice

(thousands of dollars)

	Forecast 2006-2007	Probable 2005-2006
Revenue	29,366.8	28,834.7
Expenditure	24,447.6	23,268.4
Surplus (deficit)	4,919.2	5,566.3
Investment	3,103.9	1,940.0
Total Staff Level (FTEs)	152	153

The Register Fund is used to fund all of the activities relating to the publication of personal and movable real rights, official registrations and the certification services of the Government's Public Key Infrastructure. The Fund's revenue is derived from fees charged for these services and from the allocation of appropriations from the program Administration of Justice for the Register of lobbyists.

Civil Status Fund

(thousands of dollars)

	Forecast 2006-2007	Probable 2005-2006
Revenue	14,200.0	15,730.8
Expenditure	17,662.2	16,426.7
Surplus (deficit)	(3,462.2)¹	(695.9)
Investment	2,568.6	552.8
Total Staff Level (FTEs)	179	182

¹ The deficit for fiscal 2006-2007 is compensated by the Fund's accumulated surpluses, such surpluses totalling \$6.7 million as at March 31, 2005.

The Civil Status Fund is allocated to finance the activities of the Registrar of Civil Status. The Registrar's role is to prepare and amend acts of civil status, maintain a register of these acts and ensure their publication. Services offered to the population include registering acts of civil status, name changes, and issuing nearly one million certificates and copies of acts per year.



RELATIONS INTERNATIONALES

HIGHLIGHTS

- ❑ In 2006-2007, the Ministère des Relations internationales is entrusted with a budget equivalent to the 2005-2006 budget, namely \$99.0 million.
- ❑ The Department will be able to maintain its full action capabilities and ensure the growth of its activities, due to the favourable impact of exchange rate trends.
- ❑ Québec's representation network abroad will have the necessary resources to pursue the same level of activities.
- ❑ In 2006, the Minister will table an international policy statement and a government action plan. The Department's expenditure budget eventually will be adjusted to allow implementation of the plan.
- ❑ The Department's budget provides the amounts necessary for Québec's active participation in the International Francophonie, for which the high point in 2006 will be the holding of the Bucharest Summit and the establishment of the Secretariat for the organization of the Québec Summit in 2008.

1. Presentation of the Minister's Portfolio

The Department's mission is to:

- Promote and defend Québec's interests on the international scene;
- Plan, organize and direct government action and the activities of its departments and agencies abroad;
- Coordinate their activities in Québec in matters of international relations.

This mission is entrusted to the Minister, who reports on it directly to the National Assembly. In this regard, the Minister:

- Proposes and implements an international affairs policy and directs a representation network abroad responding to the objectives of this policy;
- Advises the government on any matter pertaining to international relations, playing the role in this field of official spokesperson and primary discussion partner with foreign representatives;
- Develops relationships with national and regional government entities, and with international organizations and nongovernmental stakeholders.

The Minister of International Relations is also responsible for the Office franco-québécois pour la jeunesse, the Agence Québec/Wallonie-Bruxelles pour la jeunesse and the Office Québec-Amériques pour la jeunesse and for the application of Division III.I of the Act respecting the Ministère du Conseil exécutif (R.S.Q., c. M-30) regarding international humanitarian action.

Clienteles and stakeholders

The Department's clienteles are grouped into three main categories:

- The Premier, Cabinet members, departments and government agencies;
- Representatives of foreign governments and international organizations, which are considered stakeholders or partners;
- Citizens, enterprises, institutions and various civil society actors, many of whom are directly affected by the Department's programs.

The Department's areas of intervention

The Department's activities are grouped into three main areas of intervention, namely:

- Conduct of international relations;
- Information and communications;
- Management.

2. Budgetary Choices

The Department's budget is \$99.0 million, equivalent to its 2005-2006 budget. The favourable impact of the Canadian dollar's rise against other currencies generates enough financial leeway to absorb the growth of expenditures arising from the increase in foreseeable costs, particularly with regard to salaries and real estate. Thus, the Department will maintain its full action capabilities and will allocate its resources so that it can efficiently perform its assigned mandate.

In relation to the future international policy statement and the objectives already proposed by the 2005-2007 Strategic Plan, the Department will pursue the following priorities in 2006-2007:

- The strengthening of Québec's place in international negotiations and conferences where issues are discussed that are within its jurisdiction and concern its interests;
- A representation network abroad offering services adapted to the characteristics of the various countries and the needs of Québec businesses and institutions;
- The development of relations with the United States and France and the review of the action strategies regarding other geographic areas, accounting in particular for the evolution of the European Union and the emergence of new economies;
- Québec's active participation in the International Francophonie during the holding of upcoming Bucharest Summit in fall 2006 and the establishment of the Secretariat for the organization of the Québec Summit in 2008;
- Coordination of implementation of the international space of the Government Services Portal;
- Consolidation of international solidarity actions;
- Implementation of a multi-year program of evaluation of the Department's activities.

Of the Department's four budgetary elements, the representation network abroad, as in the past, mobilizes the biggest share of the departmental budget, 40.0%. The Department thus maintains the ability to act using this essential network in the service of Québec's international relations.

The other components of departmental action, whether bilateral or multilateral relations, youth programs or analysis, information and communications activities, are also allocated levels of resources comparable to last year's levels.

3. Budget Plan

Expenditure budget by program (thousands of dollars)

	2006-2007		2005-2006	
	Expenditure Budget (1)	Change (2)=(1)-(4)	Expenditure Budget (3)	Probable Expenditure (4)
1. International Affairs	98,981.5	(454.9)	99,462.4	99,436.4
Total	98,981.5	(454.9)	99,462.4	99,436.4
Total Staff Level (FTEs) (excluding special funds)	561	(9)	—	570

The purpose of this program is to plan, organize and direct government action abroad as well as coordinate, in Québec, the international relations activities of departments and agencies.

To fund this program, the Department, in the course of a fiscal year, has an initial expenditure budget and, subsequently, appropriations from the Ministère de l'Immigration et des Communautés culturelles, for the purpose of funding the activities of promotion, recruiting and selection abroad of candidates interested in emigrating to Québec.

In 2005-2006, the Department had a budget of \$99.0 million. The probable expenditure is estimated at \$99.4 million, excluding the amount of \$4.0 million transferred from the Ministère de l'Immigration et des Communautés culturelles.

In 2006-2007, the Department will have an initial expenditure budget of \$99.0 million.

Capital budget (thousands of dollars)

	2006-2007	2005-2006
Fixed Assets	1,904.7	1,035.0
Loans, Investments and Advances	600.0	600.0

The increase in the capital budget results from the projected implementation of the new government accounting system, known as SAGIR-SGR1, in the Ministère des Relations internationales, as of November 1, 2006. This increase also covers various maintenance and renovation work for equipment and premises.

With the consolidation of the e-Government project, information technology more than ever is at the centre of government priorities. To pursue its contribution to this major project, particularly through the "International Space" of the Government Services Portal, the Department must ensure that it remains on the cutting edge of information and telecommunication technologies.

Most of the capital budget will therefore be allocated to revision of the technological infrastructure and to improvement of electronic document management. The efficient and secure circulation of information, both at headquarters and in the network, and the maintenance and upgrading of information technology and office automation equipment also remain priorities.

Extrabudgetary agency (thousands of dollars)

	Forecast 2006-2007		Probable 2005-2006	
	Agency expenditure budget	Portion funded by the Department	Agency expenditure budget	Portion funded by the Department
Office Québec-Amériques pour la jeunesse	2,355.0	2,000.0	2,471.5	2,000.0

Special Funds

Fund for the Management of Québec Immovables on Foreign Soil (thousands of dollars)

	Forecast 2006-2007	Probable 2005-2006
Revenue	11,496.0	11,013.4
Expenditure	11,491.0	11,013.1
Surplus (deficit)	5.0	0.3
Investment	9,335.0	962.7
Total Staff Level (FTEs)	4	4

The Fund for Management of Québec Immovables on Foreign Soil has a mandate to manage the goods and services required by Québec representation network abroad. It acquires and leases office space and official residences, implements renovation and capital spending projects, and manages artwork, furniture and equipment.

To ensure the performance of the mandate entrusted to it, the Fund for Management of Québec Immovables on Foreign Soil will have an expenditure budget of \$11.5 million in 2006-2007.

In 2005-2006, the Fund for Management of Québec Immovables on Foreign Soil had an \$11.0-million budget, including a \$1.2 million transfer of appropriations from the Ministère de l'Immigration et des Communautés culturelles for the purposes of funding the needs of the immigration sector.

The Fund for Management of Québec Immovables on Foreign Soil forecasts capital expenditures of \$9.3 million. This amount covers developments and acquisitions ensuring the maintenance of the equipment and premises of Québec's representation network abroad and the acquisition of land for Québec's official residence in London, at a cost of \$6.9 million, which was made possible by legal changes regarding the use of this land.

RESSOURCES NATURELLES ET FAUNE

HIGHLIGHTS

- ❑ Québec's new energy strategy will be adopted and implemented in the 2006-2007 fiscal year. Developed after broad consultation, its purpose is to ensure energy security while creating wealth.
- ❑ The Department will continue the new directions taken for Forestry by implementing a comprehensive intervention strategy, further to the recommendations of the Commission for the study of public forest management in Québec.
- ❑ To ensure maintenance of the quality of services to the public and achieve real integrated management of land and natural resources, the Department will establish new governance based on regionalized integrated management.

1. Presentation of the Minister's Portfolio

The mission of the Department, in its capacity as the manager of public land and land information, as well as forest, mineral, energy and wildlife resources, consists of promoting the development, conservation and knowledge of the land and natural resources, from a standpoint of sustainable development and integrated management, for the public interest.

Several extrabudgetary agencies are under the responsibility of the Minister of Natural Resources and Wildlife:

- The Fondation de la faune du Québec, the mission of which is to promote the conservation and the development of wildlife and its habitats;
- The Agence de l'efficacité énergétique, the mission of which, within the perspective of sustainable development, is to promote the efficient use of all forms of energy, in all sectors of activity, for the benefit of all regions of Québec;
- The Régie de l'énergie, the mission of which is to reconcile the public interest, consumer protection and fair treatment of the electricity carrier and distributors. It favours the satisfaction of energy needs within a perspective of sustainable development and individual and collective equity;
- The Société nationale de l'amiante, which has the role of ensuring the follow-up of the past commitments it had contracted and assuming the responsibilities arising from these commitments, given the privatization of all its assets over the past few years.

Finally, the Minister is responsible for Hydro-Québec and the Société de développement de la Baie-James. The Minister is also responsible for three special funds: the Geographic Information Fund, the Land Information Fund and the Forestry Fund.

2. Budgetary Choices

The Department's budgetary choices account for the projects undertaken in the past year and the priorities of the 2005-2008 Strategic Plan. These choices respond to three major issues – wealth creation, sustainability of land and resources, and modernization of the State. Each of these issues focuses on a specific strategic orientation.

Orientation 1: Intensify Québec's economic development by the development of resources and land

The development of natural resources and public land contributes significantly to the Québec economy, in addition to constituting the economic base of several Québec regions. The Department has adopted an orientation of intensifying Québec's economic development by the enhancement of resources and land, as a means of increasing Quebecers' collective wealth. The adoption of integrated management of resources and land within a perspective of diversity of uses and improvement of business competitiveness are among the objectives pursued.

Actions envisioned

- Adoption and implementation of the energy strategy developed in 2005-2006;
- Pursuit of implementation of the strategy of diversification and consolidation of the wood products industry;
- Constitution of regional forest commissions and their gradual conversion into regional commissions on land and natural resources;
- Continuation of the work of developing public land use plans in eight regions of Québec.

Orientation 2: Contribute to the protection and conservation of resources and land

Natural resources and public land are a collective heritage for all Quebecers. The Department must optimize the development of resources and land while ensuring the sustainability of resources and biodiversity conservation. This development must be done with consideration of environmental rules and the sustainability of resources and land use. To this end, the Department has set objectives such as improvement of management of public forests, creation of protected areas, conservation of resources and protection of natural settings and habitats.

Actions envisioned

- Implementation of the comprehensive intervention strategy developed to act on the recommendations of the Commission for the study of public forest management in Québec, particularly with regard to the management and sustainability of Québec's forest wealth, while considering the concept of ecosystemic forest management;
- Addition of new seasonal and permanent wildlife protection officers;
- Legal protection of new exceptional forest ecosystems;
- Acquisition of objective, accurate and up-to-date knowledge regarding sustainable use of resources and land.

Orientation 3: Improve the quality of services to the public

Directly concerned by the "Modernization Plan 2004-2007 – Promoting Quality Services to the Population", the Department has made a commitment to offer quality services to the public that meet its needs and contribute to the implementation of the government commitments regarding e-Government, decentralization and regionalization. The establishment of new governance is a preferred way for the Department to achieve its objectives.

Actions envisioned

- Strengthening of the roles and responsibilities of the regions in management of natural resources and public land;
- Conversion of the Department's regional networks into unified regional divisions.

3. Budget Plan

Expenditure budget by program (thousands of dollars)

	2006-2007		2005-2006	
	Expenditure Budget (1)	Change (2)=(1)-(4)	Expenditure Budget (3)	Probable Expenditure (4)
1. Management of Natural Resources and Wildlife	379,256.4	(28,552.7)	387,361.0	407,809.1
Total	379,256.4	(28,552.7)	387,361.0	407,809.1
Total Staff Level (FTEs) (excluding special funds)	2,121	(68)	—	2,189

The objective of this program is to assure the development, protection, knowledge and enhancement of Québec's territory as well as wildlife, forestry, mineral and energy resources from the perspective of sustainable development and integrated management.

The 2006-2007 expenditure budget of the "Ressources naturelles et Faune" portfolio amounts to \$379.3 million, down \$28.6 million from the 2005-2006 probable expenditure. The budgetary variance is explained by an exceptional increase in 2005-2006 of \$38.2 million in the expenditures attributable to forest fire protection activities and \$6.0 million, mainly composed of expenditures provisioned in other departments and transferred during the fiscal year. On the other hand, the Department nonetheless accomplished rigorous management of its resources in 2005-2006, leading to a \$15.6 million tightening of other expenditures.

Capital budget

(thousands of dollars)

	2006-2007	2005-2006
Fixed Assets	30,539.3	38,174.1
Loans, Investments and Advances	110.4	110.4

The \$7.6-million decrease in capital expenditures is consistent with the Department's commitment to tighten the capital budgets that have impacts on the growth of amortization expenditures.

Extrabudgetary agencies (thousands of dollars)

	Forecast 2006-2007		Probable 2005-2006	
	Agency expenditure budget	Portion funded by the Department	Agency expenditure budget	Portion funded by the Department
Agence de l'efficacité énergétique	18,013.5	2,171.2	14,113.7	2,171.2
Fondation de la faune du Québec	4,965.0	40.0	5,027.3	65.0
Régie de l'énergie	9,437.0	—	8,437.0	—
Société nationale de l'amiante	504.0	—	485.0	—

The growth of expenditures of the Agence de l'efficacité énergétique results from the increased participation of the partners, and primarily from Hydro-Québec's new plan to enhance energy efficiency measures.

Special Funds

Geographic Information Fund (thousands of dollars)

	Forecast 2006-2007	Probable 2005-2006
Revenue	1,747.0	2,069.5
Expenditure	1,835.2	2,025.1
Surplus (deficit)	(88.2)	44.4
Investment	283.0	672.0
Total Staff Level (FTEs)	29	29

This Fund covers the operations of the Photocartothèque québécoise, which ensures the dissemination, on request and on a fee basis, of geographic information, i.e. cartographic, geodesic survey, remote sensing and aerial photograph data. It is also an indispensable tool for the management of financial transactions generated by the different specialized services offered in these areas.

The slowdown in the activities of the Geographic Information Fund is the result of a delay in setting up a dealer network that will allow better distribution of conventional products and aerial photographs.

Land Information Fund

(thousands of dollars)

	Forecast 2006-2007	Probable 2005-2006
Revenue	107,139.1	120,269.0
Expenditure	98,656.7	89,706.3
Surplus (deficit)	8,482.4	30,562.7
Investment	44,834.8	43,580.0
Total Staff Level (FTEs)	459	473

The Land Information Fund finances surveying, cadastral and land registry activities, as well as the resulting goods and services.

The surplus for the 2005-2006 fiscal year is primarily due to the Québec Cadastral Reform Program, for which a large part of the expenditures is capitalized and amortized over a 40-year period, and to the good performance of the real estate market.

The decrease in the 2006-2007 surplus is explained by the anticipated decline in revenues derived from real estate activity and by the growth of expenditures resulting from the increase in the cost of professional services and amortization expenditures related to the Québec cadastre reform and the "Registration of Intervention Rights and Tenure" project.

Forestry Fund

(thousands of dollars)

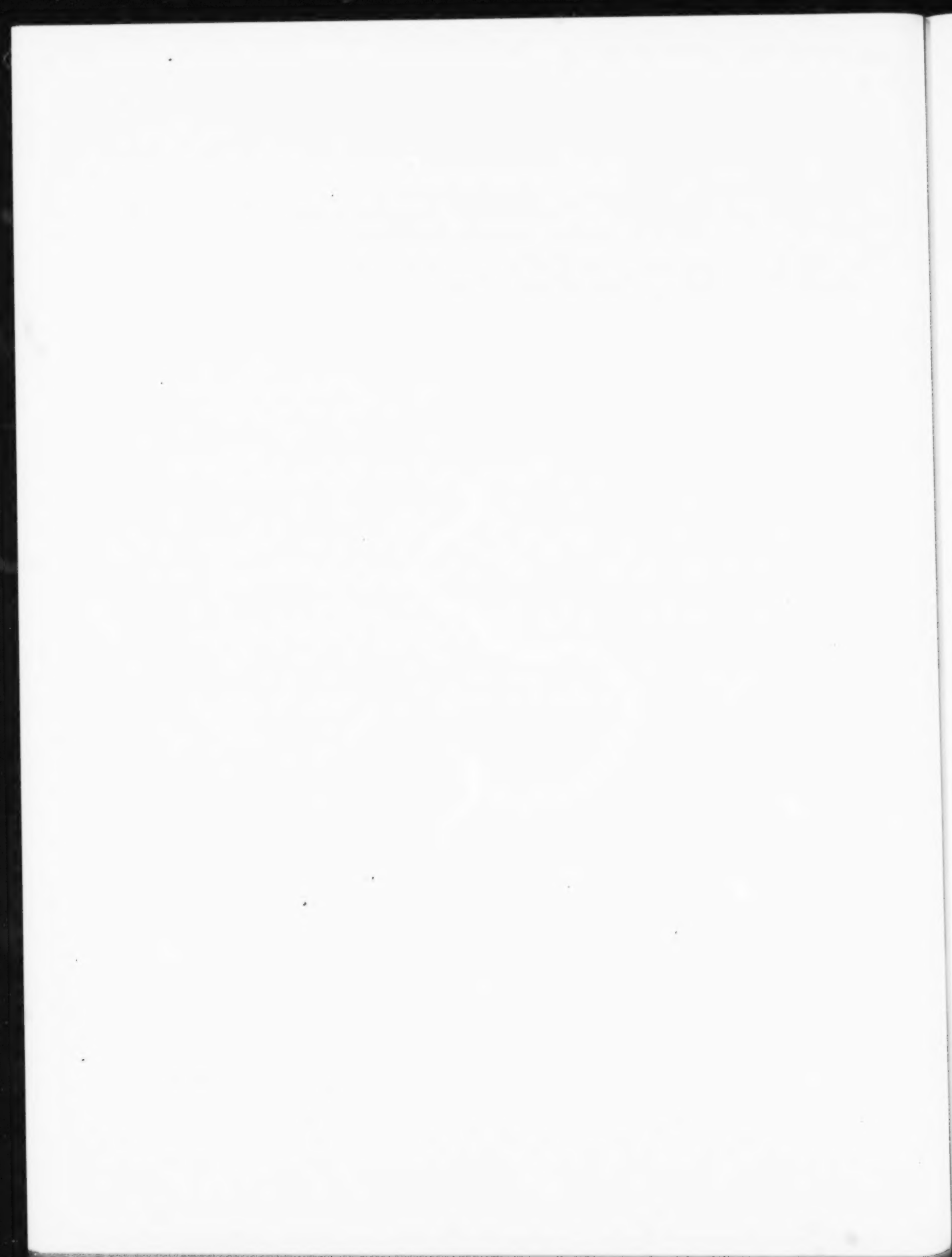
	Forecast 2006-2007	Probable 2005-2006
Revenue	348,206.7	288,021.6
Expenditure	352,709.0	287,569.5
Surplus (deficit)	(4,502.3)	452.1
Investment	9,000.0	13,311.3
Total Staff Level (FTEs)	1,691	1,717

The Forestry Fund ensures the performance of activities related to the production of seeds and seedlings for reforestation, preparation and updating of forest inventories, forestry research and development, and maintenance or improvement of the protection, development or processing of forest resources.

In 2006-2007, the Forestry Fund's revenues will grow by over 20.0%, essentially due to the increase in the Department's contribution to the Fund. Indeed, since December 5, 2005, the Department has decided to integrate into the Fund all of its activities concerning forest resources, including the implementation of the measures of the Commission for the study of public forest management in Québec. The Fund's revenue growth is also attributable to funding of programs intended to promote sustained forest yield in Québec.

The 2006-2007 expenditures of the Forestry Fund should grow faster than its revenues. The Department will thus be able to carry out planting activities and forest inventories more quickly, on a larger scale, in order to apply the recommendations of the Commission for the study of public forest management in Québec.

The Department's contribution in 2006-2007 to the Forestry Fund's activities will amount to \$151.3 million.



HIGHLIGHTS

- ❑ In 2006-2007, the "Revenu" portfolio will total \$798.1 million, \$783.3 million is earmarked for administration of taxation, while \$14.8 million is allocated to the Enterprise Registrar, an agency the activities of which are under the responsibility of the Minister of Revenue since January 26, 2006.
- ❑ Since January 1, 2006, Revenu Québec collects the contributions under the new Québec Parental Insurance Plan.
- ❑ Effective April 1, 2006, Revenu Québec will be responsible for managing unclaimed property and turning it over to the rightful claimants or the government.
- ❑ In 2006-2007, Revenu Québec will participate in the implementation of the following government orientations:
 - Continuation of the implementation of the Québec Government's Regulatory and Administrative Streamlining Action Plan to reduce the administrative burden of businesses;
 - Continuation of the work of improvement and development of electronic service delivery and the contribution to the development of the government portals for e-Government;
 - Implementation of Services Québec and the Centre de services partagés du Québec.

1. Presentation of the Minister's Portfolio

Revenu Québec's mission is to collect income tax and consumption taxes and to administer the support payment collection program, social programs of a fiscal nature, unclaimed property and any other tax collection and redistribution program entrusted to it by the government. It also makes recommendations to the government concerning changes to fiscal policy or other programs.

It plays a strategic role within the government because, through its collection activities, it generates over 80.0% of the government's autonomous revenues, thus ensuring the funding of a large part of Québec's public services.

On January 25, 2006, the Cabinet entrusted the Minister of Revenue with the activities of the Enterprise Registrar. These consist of protecting the public, associations and enterprises in their commercial relations, through management of the identity of enterprise and the dissemination of information contained in the Québec Enterprise Registrar.

2. Budgetary Choices

Revenu Québec makes the appropriate budgetary choices for the pursuit of its 2005-2008 Strategic Plan, which is articulated around three main orientations:

- Ensure funding of public services;
- Offer quality services that account for the changing needs and expectations of the public, businesses and the government;
- Increase the organization's efficiency and transparency.

Revenu Québec thus allocates a large part of its resources to collection of funds and their redistribution for the benefit of the Québec population. For this purpose, the processing of income tax returns, filed according to the principle of self-assessment, and control activities constitute the daily basis of its actions.

The government has also entrusted Revenu Québec with the administration of the Support-payment Collection Program and of various social programs of a fiscal nature, such as the Québec Parental Insurance Plan, the Québec sales tax credit and the property tax refund program. Starting April 1, 2006, the administration of unclaimed property will be part of Revenu Québec's mission.

Finally, Revenu Québec intends to pursue the efforts dedicated to fighting the underground economy and tax evasion.

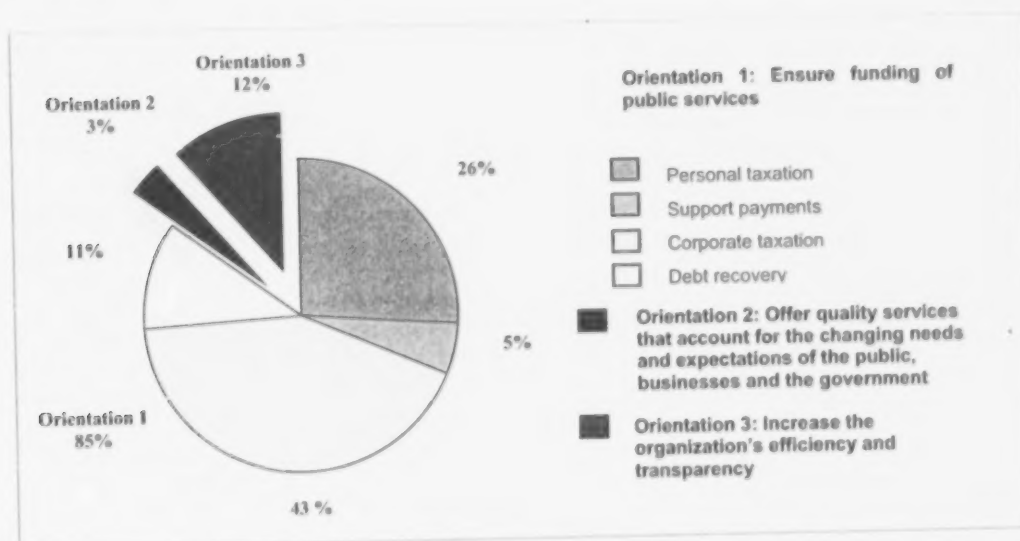
The second orientation is to offer quality services that account for the changing needs and expectations of the public, businesses and the government. Revenu Québec will contribute to the work of consolidating services, both at Services Québec and at the Centre des services partagés du Québec. The organization will pursue its activities to simplify the administration of taxation, thus contributing to reduce the administrative burden on businesses. For this purpose, the Annual Information Return for the Québec des entreprises and the income tax return can now be filed together.

Revenu Québec will also continue its collaboration in the implementation of e-Government and will promote the increased use of electronic services thanks to the improvement of existing services and the online implementation of new transactional services.

The third orientation is to improve the organization's efficiency and transparency. It will be promoted on two levels: first, by putting the emphasis on the pursuit of the development of expertise and mobilization of personnel, and secondly, by adapting the technological systems for processing personal and corporate income tax returns.

The costs of these activities are funded by appropriations voted by the Québec National Assembly and other sources, such as the agreement respecting the administration of the goods and services tax (GST) within Québec's territory on behalf of the Government of Canada. Specific agreements and government decisions, particularly the intensification of the fight against tax evasion and the underground economy, may also influence the available budget. If applicable, the 2006-2007 Annual Management Report will account for this. The appropriations allocated also include renewable appropriations and amounts for bad debts.

To illustrate the budgetary choices in relation to the strategic orientations, the following graph presents a percentage estimate of the resources allocated to the activities carried out by Revenu Québec¹.



Orientation 1 accounts for 85.0% of the resources allocated to Revenu Québec. It includes, in particular, all of the activities related to the administration of personal and corporate taxation, management of support payments, administration of unclaimed property and tax control (including the right against the underground economy and debt recovery).

¹ The FTEs and the remuneration costs, including those related to the administration of the GST, have been used to allocate resources among the various activities of Revenu Québec.

Orientation 2 accounts for 3.0% of the resources and seeks to offer services better adapted to the needs and expectations of the clientele, such as development of new electronic services, regulatory streamlining and simplification of taxation.

Orientation 3 accounts for 12.0% of the resources and focuses on increasing efficiency and transparency, which includes, for example, development of the main processing systems for personal and corporate income tax returns.

The strategy for obtaining information files

To meet the requirements of section 71.0.11 of the Act respecting the Ministère du Revenu (R.S.Q., c. M-31), Revenu Québec must publish its strategy for obtaining information files to compare, pair or cross-match data.

This strategy remains the same as in the past. Database excerpts cover the entire population concerned by these files but only contain the information necessary to the application of the tax laws, namely the identification variables and the variables related to financial data.

The Act respecting the Ministère du Revenu ensures the transparency of the process surrounding the obtaining of information files. Thus, in May 2003, the Commission d'accès à l'information du Québec approved the fourth update to the utilization plan of these files, which constituted a major review of Revenu Québec's external information needs.

In addition, Revenu Québec deposits an annual activity report to the Québec National Assembly, accompanied by an opinion of the Commission d'accès à l'information, regarding the comparison, pairing or cross-matching of the information files included in the utilization plan.

Finally, Revenu Québec keeps a register of the requests made and the files received under the utilization plan. This register is accessible to the public on request.

3. Budget Plan

Expenditure budget by program (thousands of dollars)

	2006-2007		2005-2006	
	Expenditure Budget (1)	Change (2)=(1)-(4)	Expenditure Budget (3)	Probable Expenditure (4)
1. Tax Administration	783,275.1	(99,425.3)	879,809.6	882,700.4
2. Enterprise Registrar	14,784.9	984.7	14,772.2	13,800.2
Total	798,060.0	(98,440.6)	894,581.8	896,500.6
Total Staff Level (FTEs) (excluding special funds)	7,454	(101)	—	7,555

Program 1: Tax Administration

The purpose of this program is to collect taxes and administer tax programs for a social purpose and any other collection program entrusted to it by the government, such as the Support-payment Collection Program. This program also aims to return unclaimed property to the rightful claimants or the government.

The 2006-2007 expenditure budget is \$783.3 million, or \$99.4 million less than the 2005-2006 probable expenditure. This variance is mainly explained by the reduction of the bad debts budget.

For the 2006-2007 fiscal year, the activities related to the provisional administration of unclaimed property will be funded by renewable appropriations of \$7.5 million. Indeed, the Act to amend the Public Curator Act (R.S.Q., c. C-81) provides that the fees, interest and other amounts collected by Revenu Québec in application of this Act shall be paid into the consolidated revenue fund and constitute an appropriation for the fiscal year in which they are so paid, on the conditions and to the extent determined by the government.

Program 2: Enterprise Registrar

On January 25, 2006, the Minister of Revenue was entrusted with the responsibility for the Enterprise Registrar, which was previously administered by the Minister of Finance. This new responsibility mainly consists of ensuring the administration of the government's register of sole proprietorships, partnerships and legal persons. This change necessitated the creation of a new program for the Minister of Revenue's portfolio and the addition of a \$14.8-million budget for the 2006-2007 fiscal year.

Capital budget

(thousands of dollars)

	2006-2007	2005-2006
Fixed Assets	14,078.4	8,107.9
Loans, Investments and Advances	16.0	16.0

In 2006-2007, capital expenditures of \$8.6 million are forecast for the Minister of Revenue's portfolio with a view to improving the safety of buildings, acquiring vehicles and increasing the productivity of mail processing. Regarding the Québec Enterprise Registrar, expenditures of \$5.5 million are forecast to develop online electronic systems and modernize the return processing system.

Budget-funded agency

(thousands of dollars)

	Forecast 2006-2007		Probable 2005-2006	
	Agency expenditure budget	Portion funded by the Department	Agency expenditure budget	Portion funded by the Department
Enterprise Registrar	14,772.2	14,772.2	13,800.2	13,800.2

Special Funds

Collection Fund

(thousands of dollars)

	Forecast 2006-2007	Probable 2005-2006
Revenue ¹	80,684.8	80,588.2
Expenditure	83,959.9	82,392.6
Surplus (deficit)	(3,275.1)	(1,804.4)
Investment	3,486.6	3,190.5
Total Staff Level (FTEs)	751	752

¹ The Collection Fund's revenues come from Revenu Québec's collection fees and billing of recovery fees.

The purpose of the Tax Collection Fund is to finance activities for recovery of the amounts owed to Revenu Québec in unpaid taxes, duties, contributions to social programs of a fiscal nature, and support payments. The accumulated surpluses make it possible to offset the anticipated deficit of \$3.3 million.

Fonds des pensions alimentaires

(thousands of dollars)

	Forecast 2006-2007	Probable 2005-2006
Revenue ¹	41,675.0	41,041.8
Expenditure	41,675.0	41,041.8
Surplus (deficit)	0.0	0.0
Investment	1,895.7	1,889.7
Total Staff Level (FTEs)	646	653

¹ The revenues of the Fonds des pensions alimentaires come from Revenu Québec, a federal subsidy and billing of administration fees.

The objective of the Fonds des pensions alimentaires is to ensure the regularity of support payments to which children and the parental guardian are entitled.

Ministère du Revenu Fund for the Supply of Property and Services
 (thousands of dollars)

	Forecast 2006-2007	Probable 2005-2006
Revenue	13,263.6	11,353.2
Expenditure	13,263.6	11,353.2
Surplus (deficit)	0.0	0.0
Investment	—	—
Total Staff Level (FTEs)	—	—

The Supply of Goods and Services Fund is allocated to finance the activities of supplying goods or related services, particularly goods or services related to the know-how of Revenu Québec. The activities specific to the Fund primarily concern collection of contributions, auditing, cash inflows and systems development.

Information Technology Fund of the Ministère du Revenu
 (thousands of dollars)

	Forecast 2006-2007	Probable 2005-2006
Revenue ¹	43,919.3	34,031.5
Expenditure	43,919.3	34,031.5
Surplus (deficit)	0.0	0.0
Investment	83,725.5	84,897.8
Total Staff Level (FTEs)²	—	—

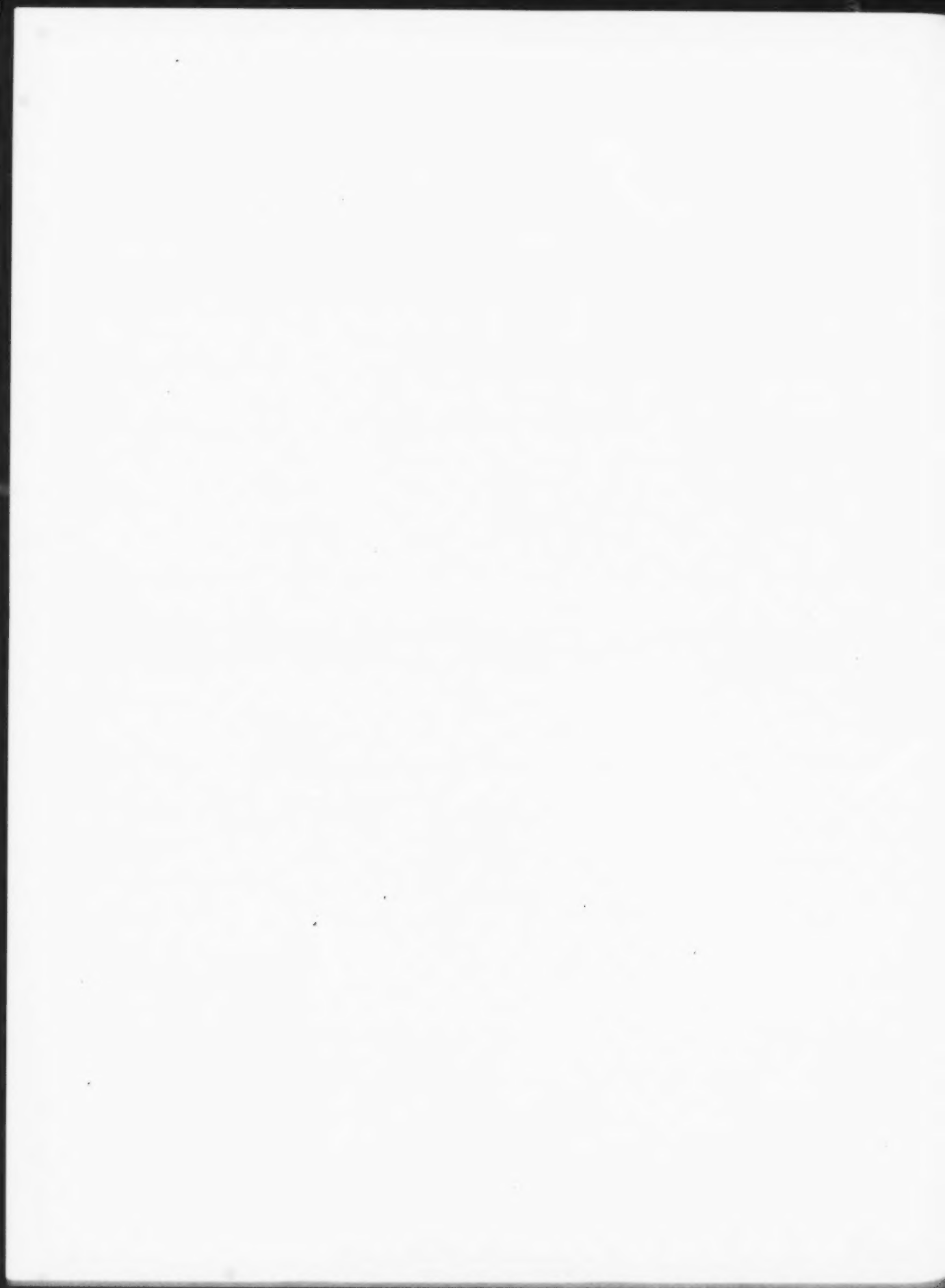
¹ In 2005-2006 and 2006-2007, revenues from management and leasing of computer equipment and systems come from Revenu Québec and other sums received for administration of the GST.

² The remuneration expenditure charged to the Information Technology Fund corresponds to 270 FTEs in 2005-2006 and in 2006-2007. These staff levels are included in Revenu Québec's authorized staff levels.

The Information Technology Fund allows Revenu Québec to finance current and future computer system upgrades and development and acquisitions of information assets. The purpose of this development is to increase the organization's efficiency, primarily to deliver better quality services to the public and streamline certain procedures that will facilitate electronic exchanges with the clientele.

Investments of the Information Technology Fund of the Ministère du Revenu
(thousands of dollars)

	Forecast 2006-2007	Probable 2005-2006
Information technology development	60,131.4	60,072.8
System upgrades	11,869.8	9,766.8
Equipment (projects and upgrades)	11,724.3	15,058.2
Total	83,725.5	84,897.8



SANTÉ ET SERVICES SOCIAUX

HIGHLIGHTS

- The 2006-2007 budget for the Ministère de la Santé et des Services sociaux will go to financing:
 - Increased program costs, including system costs specific to the health sector and the consequences of pay equity;
 - The operation of new facilities and equipment;
 - Encouraging healthy lifestyles;
 - Introduction of measures to guarantee access to hip, knee and cataract surgery and reduce waiting times for other types of surgery;
 - Increased services for seniors with reduced capacity and people suffering mental health problems, conforming to measures to be undertaken in each region;
 - Increased services to vulnerable people;
 - Reinforcement for palliative care services and teams to fight cancer.

1. Presentation of the Minister's portfolio

The mission of the health and social services sector is to maintain, improve and restore the health and well-being of Quebecers by making available to them an entire range of integrated, high-quality health and social services, thereby contributing to the social and economic development of Québec.

The primary role of the Department is to regulate the health and social services system, set guidelines for health and well-being policy, and evaluate results based on set objectives. The Department must also ensure the system's financing and cross-regional coordination, set labour adaptation policies and negotiate contracts and collective agreements.

During fiscal 2004-2005, the government created 95 local networks for health and social services, pursuant to suggestions made to the Minister by health and social services agencies.

After these changes were made, Bill 83 was tabled in the National Assembly and sanctioned on November 30, 2005 (2005, c. 32); it confirms the direction and adjusts responsibilities of establishments, agencies and the Department. Local establishments now have responsibility for services to their local population. It is now up to them to develop and implement a range of services tailored to the specific needs of their population. Management and allocation agreements will be concluded during 2006-2007 between the Department and each one of the agencies, as well as between the agencies and establishments of each region, to ensure that responsibilities are coordinated at each management level.

A program of visits to establishments, certification of privately owned seniors' residences, creation of a quality control section within the Department, along with other measures for promotion, training and monitoring, will contribute to maintaining and improving the quality of services to the population.

The Régie de l'assurance maladie du Québec (RAMQ) primarily administers the health insurance and prescription drug insurance plans, as well as any other program entrusted to it by law or by the government (e.g.: the dental care for children program). The RAMQ acts as an agent for managing the bank of health and social services data of common interest, and ensures the dissemination of information to stakeholders in the health and social services sector.

With the goal of encouraging educational, professional and social integration of people with handicaps, the general mandate of the Office des personnes handicapées du Québec is coordination of functions for designing and delivering of services to them and their families. The Office provides information, advice, assistance and representation, both individually and collectively.

2. Budgetary Choices

The 2006-2007 expenditure budget will be \$1,302.5 million greater than the 2005-2006 probable expenditure.

Higher salaries for network staff and health professionals, the consequences of pay equity and increases in employer's contributions to pension plans, make up \$877.1 million in 2006-2007, more than 67.0% of the total increase for 2006-2007.

The relative significance of this amount, combined with the goal of maintaining and improving services to the general public, forces the Department to make certain choices. In order to keep the momentum of improving the network's financial situation, it has been agreed again this year to maintain the financing of system costs, including the allocation of a specific system cost, as well as an added \$25.0 million to ensure the operation of new facilities and equipment.

An additional amount of \$100.0 million on an annual basis will support the government's commitments to health and social services, mainly for guaranteeing access to surgery and consolidating services for young people in difficulty, seniors with reduced capacity and people facing mental health problems, as well as prevention efforts.

To ensure this level of financing, however, the Department will have to postpone for a year the allocation of the third and final instalment earmarked for balancing the budgets of network establishments on a yearly basis.

Allocation of a recurring amount of \$175.0 million over two years has reduced the network's annual deficit from \$363.0 million in 2003-2004 to an estimated \$175.0 million in 2005-2006.

3. Budget Plan

The 2006-2007 expenditure budget increases by \$1,302.5 million over the 2005-2006 probable expenditure.

Expenditure budget by program (thousands of dollars)

	2006-2007		2005-2006	
	Expenditure Budget (1)	Change (2)=(1)-(4)	Expenditure Budget (3)	Probable Expenditure (4)
1. National Operations	292,291.4	(164.9)	293,327.4	292,456.3
2. Regional Operations	16,271,871.7	1,068,083.4	15,190,611.0	15,203,788.3
3. Office des personnes handicapées du Québec	11,733.2	730.8	11,191.2	11,002.4
4. Régie de l'assurance maladie du Québec	5,538,610.4	233,808.6	5,304,801.8	5,304,801.8
Total	22,114,506.7	1,302,457.9	20,799,931.4	20,812,048.8
Total Staff Level (FTEs) (excluding special funds)	951	(25)	—	976

Program 1: National Operations

This program provides the Department and its advisory bodies with the resources and services necessary to establish, implement and monitor their health and social services programs. It also enables the general public to participate in defining needs, ensures Québec-wide coordination of the development and delivery of health and social services, and funds Québec-wide projects.

Measures to reduce administrative expenses in 2006-2007 will maintain the expenditures budget at almost the same level as in 2005-2006.

Program 2: Regional Operations

This program provides public services that meet the objectives defined in the policy on health and welfare with regard to social adaptation, physical and mental health, public health and social integration.

The growth of this program in 2006-2007 compared to the 2005-2006 probable expenditure is \$1,068.1 million. The increase is mainly due to pay equity, (\$343.5 million), salary adjustments and improvement of working conditions for network staff (\$240.4 million), scheduled salary increases (\$120.5 million), the system cost specific to health (\$100.0 million), indexation of non-salary expenses (\$102.8 million), development of new services (\$60.0 million or \$100.0 million on an annual basis), operation of new equipment and facilities (\$25.0 million), increasing the debt service (\$18.8 million) and pension plans for network staff (\$24.9 million).

Program 3: Office des personnes handicapées du Québec

This program is designed to help people with handicaps exercise their civil rights and encourage their educational, professional and social integration.

The program's expenditure budget increases by \$0.7 million over the 2005-2006 probable expenditure. The increase is primarily due to salary indexation and an adjustment for completing administrative organization for the mandates that the Act prescribes.

Program 4: Régie de l'assurance maladie du Québec

The purpose of this program is to fund the costs of insured services and administrative costs of the health insurance plan and prescription drug insurance plan.

The expenditure budget is \$233.8 million higher than the 2005-2006 probable expenditure. This increase is mainly due to increased remuneration for health professionals (\$147.9 million) and a rise in costs of the prescription drugs (\$81.0 million).

Capital budget

(thousands of dollars)

	2006-2007	2005-2006
Fixed Assets	1,372.0	1,372.0
Loans, Investments and Advances	—	—

The Department's capital expenditures in 2006-2007 will be mainly for updating its computer systems.

Budget-funded agencies and extrabudgetary agencies

(thousands of dollars)

	Forecast 2006-2007		Probable 2005-2006	
	Agency expenditure budget	Portion funded by the Department	Agency expenditure budget	Portion funded by the Department
Budget-funded agencies				
Agence de l'évaluation des technologies et des modes d'intervention en santé	3,117.3	3,117.3	3,043.1	3,043.1
Commissaire à la santé	1,734.9	1,734.9	—	—
Conseil de la santé et du bien-être	—	—	1,333.9	1,333.9
Conseil médical du Québec	—	—	357.1	357.1
Conseil du médicament	6,222.8	6,222.8	6,063.4	6,063.4
Extrabudgetary agencies				
Corporation d'urgences-santé	84,546.6	61,342.0	83,053.8	60,078.0
Héma-Québec	262,849.1	262,849.1	264,987.6	264,987.6
Institut national de santé publique du Québec	28,867.0	28,592.0	28,399.0	28,099.0
Régie de l'assurance maladie du Québec	6,640,938.5	5,829,430.3	6,382,249.4	5,606,988.1

Special Funds

Prescription Drug Insurance Fund

(thousands of dollars)

	Forecast 2006-2007	Probable 2005-2006
Revenue	2,605,423.9	2,446,412.1
Expenditure	2,605,423.9	2,446,412.1
Surplus (deficit)	0.0	0.0
Investment	—	—
Total Staff Level (FTEs)	—	—

The Prescription Drug Insurance Fund was created under the Act respecting the Régie de l'assurance maladie du Québec (R.S.Q. c. R-5). Its purpose is to cover the cost of prescription drugs, pharmaceutical services and administrative expenses pertaining to the coverage of persons aged 65 and older, employment assistance recipients and their children, and any eligible person who is not required to join a group insurance contract or an employee benefit plan.

The Fund is financed by premiums from individuals who, regardless of age, are not covered by a group insurance contract or social benefits plan. The premiums are determined on the basis of income earned during the calendar year. However some people covered by the public plan are exempt from paying the premium. They are:

- Children of people who are covered;
- People receiving employment assistance and other holders of claim booklets;
- People 65 and over who receive the full Guaranteed Income Supplement.

The Quebec Government also compensates the Fund for not fully applying the lowest-price policy (15-year rule) and adds a budget-balancing grant for the cost of drugs, pharmaceutical services and administrative expenses incurred for people aged 65 or over, those receiving employment assistance and other holders of claim booklets.

The Fund is administered by the Régie de l'assurance maladie du Québec. The Fund's management, financing and operating procedures are set forth in its constituting Act. Under this Act, the total amounts paid to the Fund must, in the long term, allow for payment of its obligations.

The Act also stipulates that the annual premium and the contribution parameters (deductible, coinsurance and maximum annual contribution) are adjusted on July 1 of each year to allow for payment of the Fund's obligations.

SÉCURITÉ PUBLIQUE

HIGHLIGHTS

- The main budgetary issues of the Ministère de la Sécurité publique in 2006-2007 are:
 - Increasing Quebec's capacity to prevent or deal with natural disasters by proposing risk analyses and solutions;
 - Maintaining a level of police services and a fee structure for the Sûreté du Québec services in a way that keeps pace with the evolution of land assets and regional disparities;
 - Improving the coverage of fire risks by setting up risk coverage scenarios for fire security;
 - Ensuring structured and safe accompaniment and supervision of incarcerated clientele.
- Continuing its initiative for human resources planning, the Department will bring together in 2006-2007 all components of its 2006-2009 multi-year human resources management plan, including, in particular, quantitative and qualitative components, jobs at risk, and management of competences.
- In 2006-2007, the Sûreté du Québec intends to strengthen its partnerships with police and government organizations and its collaboration with external partners in the fight against crime, and improve the delivery of public security services to its clientele.

1. Presentation of the Minister's Portfolio

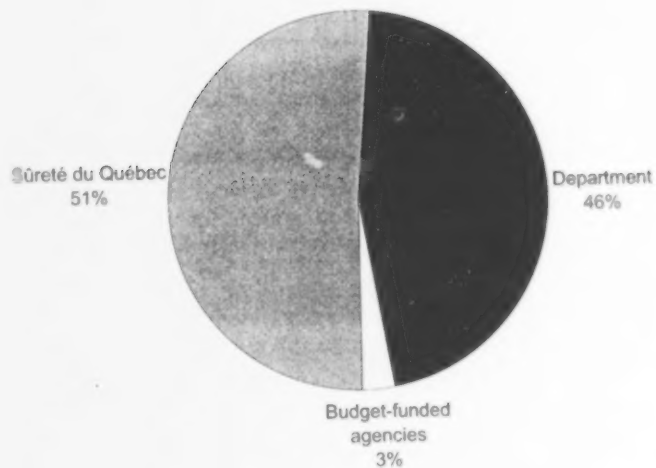
The Department's mission is to take a leadership role in providing Quebecers with a safe living environment that allows for collective development while respecting individual rights and freedoms. The Department and the organizations that make up the Minister's portfolio intervene in the following sectors:

- Prevention of crime, recidivism and deaths occurring under unexplained or violent circumstances;
- Maintaining peace and public order, police intervention and public and private protection;
- Correctional services;
- Civil safety and fire safety services;
- Administration of liquor permits, horse racing, gambling and professional combat sports;
- Legal expertise and certification of play equipment;
- Conditional parole;
- Processing complaints against police officers on the job;
- Police and firefighter training.

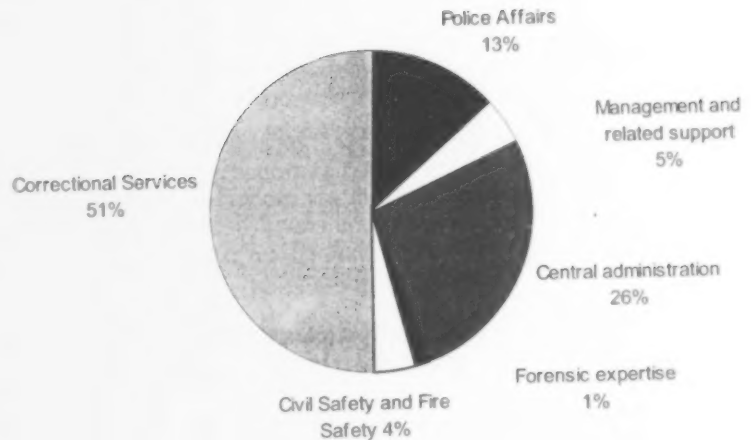
To fulfill its mission, the Department relies on the cooperation and expertise of close to 12,000 employees in four divisions (Affaires policières, prévention et services de sécurité, Sécurité civile et sécurité incendie, Services à la gestion and Services correctionnels) as well as the Sûreté du Québec. Seven agencies reporting to the Minister also contribute to the public security mission in various ways: the Coroner's Office, the Comité de déontologie policière, the Police Ethics Commissioner, the Commission québécoise des libérations conditionnelles, the École nationale de police du Québec, the École nationale des pompiers du Québec and the Régie des alcools, des courses et des jeux (RACJ). Finally, the Laboratoire de sciences judiciaires et de médecine légale is an independent service unit.

2. Budgetary Choices

The 2006-2007 expenditure budget of the Minister's portfolio, \$916.0 million, is divided as follows: \$470.7 million to the Sûreté du Québec, \$419.4 million to the Department and \$25.9 million to budget-funded agencies.



The Department's 2006-2007 expenditure budget of \$419.4 million breaks down as follows: \$212.5 million for Correctional Services, \$54.2 million for Police Affairs, \$17.5 million for Civil Safety and Fire Safety, \$6.1 million for Forensic expertise, \$20.1 million for Management and related support, and \$109.0 million for Central administration such as rents, depreciation, telecommunications and employers' contributions.



Budgetary priorities for 2006-2007 are linked to the three orientations of the 2005-2008 Strategic Plan.

Orientation 1: Improve the quality of public security services to match the community's needs

The first budgetary choice is to accomplish the essential tasks of police organization and intervention, public and private security, civil safety and fire safety, and correctional services. The methods used by the network of services involved with the fight against crime and against natural disasters must be constantly kept up to date. All partners must respond with greater efficiency to the Quebec community's need for security. The Department intends to focus on strengthening the networks operating in all security fields and on giving individuals and specific clienteles access to integrated and disciplined services. The Department will therefore devote most of its efforts in 2006-2007 to:

- Examine the level of police service and revise the fee structure for police services;
- Develop, in partnership, a way of delivering Sûreté du Québec services that is adaptable to regional and local realities in the 85 Municipal Regional Councils (MRC) and comparable districts.
- Continue developing police services in native communities through the renewal of policing agreements;
- Ensure structured accompaniment and supervision of suspects under surveillance in the open, by implementing management frameworks for follow-up methods;
- Analyze submitted scenarios for fire risk coverage and issue certificates of conformity.

Orientation 2: Contribute to countering real or apprehended risks associated with crime, terrorism and natural disasters

The Department will continue to emphasize prevention by acquiring more data on risks and the ways to mitigate them, and increasing awareness of both those things among citizens, police organizations, public and private organizations. It will recommend action both by individuals and by communities to reduce vulnerability to real or apprehended risks in the fields of crime, terrorism and natural disasters. The Department intends to strengthen the partnership as it implements ways of mitigating such risks. The main actions to be taken will be:

- Development of new partnerships between the Sûreté du Québec and police and government organizations concerned with the fight against crime;
- Development of strategies for joint action with partners in the fields of organized crime and terrorism;
- Adoption and implementation by five MRCs or municipalities of local crime prevention strategies within their communities;

- Making sure that prevention projects presented by community organizations include a structured planning approach to interventions;
- Ensuring secure supervision of incarcerated clientele by introducing security practices;
- Supporting prevention activities by local authorities in the fields of fire security and civil security;
- Developing profiles of natural disasters, particularly riverbank erosion and winter flooding.

Orientation 3: Develop innovative approaches for improving performance

The Department feels it is necessary to adapt its information systems to new demands for delivery of services and e-Government. In 2006-2007 it intends to better understand citizens' expectations, measure their degree of satisfaction and update the Déclaration de services aux citoyennes et aux citoyens. The Department will also take appropriate measures to reduce costs associated with absences for professional injuries. In 2006-2007 the Department will:

- Continue to develop and consolidate its information systems for fire security, which will include electronic delivery of services;
- Develop and implement a directory of emergency resources in the areas of civil safety and fire safety, for the use of the Department and its partners;
- Continue to develop and implement a system of financial aid for victims of natural disasters, including especially electronic delivery of services;
- Work towards the implementation of a system for managing correctional services files;
- Produce the 2006-2009 multi-year plan for human resources management integrating all components;
- Accomplish the measures set out in the 2005-2008 Department Action Plan concerning individual health, so as to reduce charges to the Commission de la santé et de la sécurité du travail (CSST) for professional injuries having occurred in 2005 and reduce the amount of workdays lost in 2006;
- Increase the number of temporary assignment workdays in 2006;
- Finalize activities to raise awareness and training in preventing harassment in the workplace, in order to reduce cases of harassment in 2006-2007.

3. Budgetary Plan

The objectives of the budgetary plan submitted in 2006-2007 are: to deliver essential public security activities in order to lessen the risks related to crime, terrorism natural disasters and certain types of deaths; and to develop innovative approaches for increasing organizational effectiveness and efficiency.

The expenditure budget allocated in the "Sécurité publique" portfolio for 2006-2007 is \$916.0 million, a reduction of \$14.5 million or 1.6% from the 2005-2006 probable expenditures. This variance is due to non-recurring expenditures of \$41.2 million in 2005-2006. These expenditures mainly relate to financial aid to victims of natural disasters and programs to counter tobacco and alcohol trafficking, as well as extraordinary expenditures of the Sûreté du Québec. Budgetary increases of \$26.7 million relate to various initiatives, such as implementation of the Act respecting the Québec correctional system (2002, c. 24), salary indexation, increased rents and moving expenses.

Expenditure budget by program (thousands of dollars)

	2006-2007		2005-2006	
	Expenditure Budget (1)	Change (2)=(1)-(4)	Expenditure Budget (3)	Probable Expenditure (4)
1. Security, Prevention and Internal Management	419,427.2	(1,126.8)	408,205.7	420,554.0
2. Sûreté du Québec	470,697.9	(12,556.5)	471,128.3	483,254.4
3. Agencies Reporting to the Minister	25,915.7	(810.0)	25,037.3	26,725.7
Total	916,040.8	(14,493.3)	904,371.3	930,534.1
Total Staff Level (FTEs) (excluding special funds)	6,960	(49)	—	7,009

Program 1: Security, Prevention and Internal Management

This program combines Management Services (consisting primarily of the central envelopes allocated to employer contributions, leases, telecommunications and depreciation), Correctional Services, the Laboratoire de sciences judiciaires et de médecine légale, Police, Security and Protection and Civil Safety and Fire Safety. This program has an expenditure budget of \$419.4 million, a reduction of \$1.1 million from the probable expenditures of 2005-2006. This net variance is due partly to expenditures of \$19.9 million financed in 2005-2006 for financial aid to victims of natural disasters and the fight against tobacco and alcohol trafficking, as well as budgetary increases of \$18.8 million for a number of initiatives, including implementation of the Act respecting the Québec correctional system, and indexation of salaries.

Program 2: Sûreté du Québec

The Sûreté du Québec works throughout the province to maintain peace and public order, to preserve the life, safety and fundamental rights of individuals and to protect their property. The Sûreté du Québec also supports the organization of police services, coordinates major police operations, contributes to the integrity of government institutions, and ensures the safety of transportation networks under Québec's jurisdiction.

This program's expenditure budget is \$470.7 million, a reduction of \$12.6 million from the 2005-2006 probable expenditure. This net variance is partly due to a \$20.2-million reduction of expenses caused mainly by non-recurring extraordinary expenses and initiatives against alcohol trafficking and tax fraud financed by the Ministère des Finances. There was also a \$7.6-million increase in expenditures, mainly for indexation of salaries to public employees, increased rents for new police stations and moving costs, as well as an increase in information technology costs.

The Sûreté du Québec's activities are partly financed by revenues from the fees it charges to municipalities, estimated at \$234.2 million, and by revenues from the federal government, specifically \$5.0 million for firearms control and \$3.4 million for police service on the Jacques Cartier and Champlain bridges. These revenues, respectively managed in a special fund and in a defined-purpose account for firearms control, bring the Sûreté du Québec's forecast expenditures to \$713.3 million.

Program 3: Agencies Reporting to the Minister

This program includes five agencies:

- La Régie des alcools, des courses et des jeux, whose main functions are to supervise, oversee and control activities related to alcoholic beverages, horse races, gambling and professional combat sports, so as to ensure interest, tranquility and public security;
- The Commission québécoise des libérations conditionnelles, which is mandated to review cases of inmates eligible for parole;
- The Coroner's Office, which is responsible for investigating deaths occurring under unexplained or violent circumstances;
- The Police Ethics Commissioner, who handles complaints against police officers on the job;
- The Comité de déontologie policière, as a specialized administrative tribunal, is responsible for reviewing citations filed by the Police Ethics Commissioner and to review his decisions when he dismisses a complaint after investigation.

A \$25.9-million expenditure budget is allocated for this program, which compares to the 2005-2006 probable expenditure.

Capital budget

(thousands of dollars)

	2006-2007	2005-2006
Fixed Assets	31,933.5	33,129.5
Loans, Investments and Advances	71.4	85.1

The Department's capital budget is \$31.9 million. Of this amount, \$10.2 million is allocated to systems development, and the purchase of information technology and other equipment for the Department's core activities and budget-funded agencies. The \$21.7-million capital budget for the Sûreté du Québec breaks down as follows: \$9.6 million to replace the vehicle fleet for investigations, autoroutes and specialized services, and \$12.1 million for specialized equipment and information technology.

Budget-funded agencies and extrabudgetary agencies

(thousands of dollars)

	Forecast 2006-2007		Probable 2005-2006	
	Agency expenditure budget	Portion funded by the Department	Agency expenditure budget	Portion funded by the Department
Budget-funded agencies				
Coroner's Office	7,058.1	7,058.1	6,976.7	6,976.7
Comité de déontologie policière	1,814.6	1,814.6	1,806.8	1,806.8
Police Ethics Commissioner	2,735.3	2,735.3	2,780.2	2,780.2
Commission québécoise des libérations conditionnelles	3,260.2	3,260.2	2,905.0	2,905.0
Régie des alcools, des courses et des jeux	11,047.5	11,047.5	12,257.0	12,257.0
Extrabudgetary agencies				
École nationale de police du Québec	26,106.2	7,062.1	25,829.8	7,062.1
École nationale des pompiers du Québec	1,753.8	933.8	1,874.5	933.8

Special Funds

Police Services Fund

(thousands of dollars)

	Forecast 2006-2007	Probable 2005-2006
Revenue	415,242.3	408,509.8
Expenditure	415,242.3	408,509.8
Surplus (deficit)	0.0	0.0
Investment	29,618.5	15,290.1
Total Staff Level (FTEs)	4,404	4,387

The Police Services Fund is earmarked to fund the cost of goods and services provided by the Sûreté du Québec to the municipalities and any body other than a municipality, consequent to an agreement made in accordance with the Police Act (R.S.Q., c. P-13.1). This essentially concerns police service to municipal regional councils, based on the community policing model.

The 2006-2007 expenditure budget totals \$415.2 million, an increase of \$6.7 million from the 2005-2006 probable expenditure. This variance is mainly due to indexation of salaries for public employees, increased rents due to delivery of new police stations and moving, as well as an increase in depreciation linked directly to a variation in investments. Revenue sources are as follows: fees charged to municipalities under the Regulation respecting the amount payable by the municipalities for the services of the Sûreté du Québec, in the forecast amount of \$234.2 million; amounts received from the federal government for police service on the Jacques Cartier and Champlain bridges, in the amount of \$3.4 million; and, an allocation from the Program 2 expenditure budget to balance the Fund, in the amount of \$177.6 million.

The planned investment of \$29.6 million is distributed as follows: \$10.7 million for the upgrade and acquisition of a vehicle fleet for Municipal Regional Councils' police stations, and \$18.9 million to acquire specialized equipment and develop information systems. The capital budget is up \$14.3 million from 2005-2006. This variance is mainly due to intensification of development of computerized resources which will start during the 2006-2007 fiscal year.

SERVICES GOUVERNEMENTAUX

HIGHLIGHTS

- E-Government aims to increase public and business satisfaction by fostering secure access to quality, integrated, personalized online services provided by a high-performance innovative public administration that listens to people. This vision is based on the seven milestones that will guide the actions of the Ministère des Services gouvernementaux throughout fiscal 2006-2007 :

- Increase the online services available to meet the needs of individuals and enterprises, and improve the government's performance:

Narrowing the digital divide, i.e. the prominent gap between different socioeconomic and age groups in terms of access to the internet and the new information technologies.

- Simplify public and business access to electronic service delivery:

Québec's change-of-address service for enterprises, a single transaction to contact six departments and agencies.

- Make individuals and enterprises the focus of the government services they need:

Improved business services to create custom files for storing information so as not to have to re-enter it for every transaction.

- Strengthen the trust individuals and enterprises have in electronic service delivery:

clicSÉQUR, an authentication system available for enterprises and extended to individuals.

- Facilitate public and business access to the online services of public sector networks and other levels of government:

A government portal for new health and education online services.

- Develop shared infrastructures that serve all departments and agencies to stimulate the development of transactional services;
- Foster personal participation in democratic life.

1. Presentation of the Minister's Portfolio

Mission

To provide relevant, accessible, quality services for the public and enterprises, as well as the Administration and government networks, and to ensure the development of e-Government.

Responsibilities

The Minister of Government Services must:

- Ensure the development, implementation, deployment and promotion of e-Government;
- Assure that government information in electronic format is used efficiently and securely, in an effort to improve the supply of government services;
- Continue setting up Services Québec¹. Development of this agency will substantially change the way the government works and, in particular, how public services are delivered to individuals and enterprises;
- Continue setting up the Centre de services partagés du Québec¹, which will provide departments and agencies with shared services while contributing to their implementation. Hence, all areas of government services (information and communications technology, the acquisition and disposal of assets, supplies and furnishings, office equipment maintenance, government printing and mail, integrated resource management systems) fall under the responsibility of the Minister of Government Services. The same applies to Publications du Québec, the network of government libraries, and media buying and exhibition services;
- Provide departments and agencies with advanced expertise in specialized services they could not otherwise afford, and this both efficiently and at a reasonable cost;
- Supply departments and agencies with the properties and other assets they need to deliver their services. The Société immobilière du Québec¹ produces a separate management annual report containing its financial statements;
- Provide departments and agencies with air services such as air ambulance evacuations, multipatient transport, forest-fire fighting, aerial land surveillance, and passenger and cargo transportation.

2. Budgetary Choices

The Ministère des Services gouvernementaux has made its budgetary choices on the basis of government priorities and the ensuing orientations. Thus the Department faces daunting challenges, among them deploying e-Government and optimizing the use of informational resources.

¹ Every year Services Québec, the Centre de services partagés du Québec and the Société immobilière du Québec submit their budget projections for the upcoming fiscal year to the Minister in keeping with the form, content and periodicity specified by the Minister. These forecasts are subject to government approval.

Deploying e-Government

Intensifying the deployment of e-Government represents a lever for integrating and improving the quality of services provided to individuals and enterprises, by enabling departments and agencies to optimize how they do things.

An \$11.2-million budget is allocated for carrying out interdepartmental projects primarily of a transactional nature.

Actions envisioned

- Modify the funding model for e-Government for joint interdepartmental projects that can be shared and reused;
- Develop management procedures from the new e-Government funding model;
- Identify, based on established parameters, which projects will be funded in fiscal 2006-2007.

Optimizing use of informational resources

Amid the scarcity of resources, the coming years will focus on pooling expertise. Sharing infrastructures, resources and experiments within the context of development of interdepartmental e-Government projects demands government-wide cooperation and coordination.

The fundamental contribution of the departments, agencies and partners directly involved in delivering online services to individuals and enterprises gives the Department incentive to provide coordination and central oversight of these actions.

A budget of \$6.0 million will be allocated for this orientation.

Actions envisioned

- Encourage growth in the supply of online services;
- Facilitate access to the electronic services of public sector networks;
- Support development of the government portal for health, educational, economic, regional etc. services;
- Review the management framework for informational resources;
- Do the work associated with the Plan de gestion des ressources informationnelles and the Bilan de gestion des ressources informationnelles;
- Guide departments and organizations in carrying out informational resource projects;
- Develop processes and tools for managing integrated joint ventures;

- Table the guidelines on governmental information systems security;
- Table the common interoperability framework;
- Prepare an action plan for implementing a government enterprise architecture program designed to support service delivery upgrades and modernization of the State through greater interoperability of processes, information, and technologies;
- Table a brief on government authentication within the context of e-Government.

3. Budget Plan

Expenditure budget by program (thousands of dollars)

	2006-2007		2005-2006	
	Expenditure Budget (1)	Change (2)=(1)-(4)	Expenditure Budget (3)	Probable Expenditure (4)
1. Government Services	40,860.1	(51,149.5)	54,144.5	92,009.6
Total	40,860.1	(51,149.5)	54,144.5	92,009.6
Total Staff Level (FTEs) (excluding special funds)	184	(396)	—	580

Note: The Government Services program has a provision that allows the transfer of funds to other government programs for which the probable expenditures are correspondingly increased. Probable expenditure in this program is decreased due to such transfers.

This program encompasses expenditures related to providing services for individuals, enterprises, as well as the Administration and government networks. It also includes amounts allocated for e-Government, as well as a provision for carrying out related projects.

The expenditure budget for this program is \$51.1 million lower than the probable expenditure in 2005-2006. This reduction is primarily due to a \$40.0 million write-off in 2005-2006 of the GIRE information project, which was required following the adoption of the Stratégie d'affaires en gestion intégrée des ressources (SAGIR) and subtraction of the Services Québec budget, which becomes an extrabudgetary agency in 2006-2007.

Capital budget

(thousands of dollars)

	2006-2007	2005-2006
Fixed Assets	22,100.0	25,221.2
Loans, Investments and Advances	25.0	30.0

The fixed assets of Services gouvernementaux are primarily related to e-Government project developments. The reduction stems from the subtraction of capital expenditures of Services Québec, which becomes an extrabudgetary agency in 2006-2007.

Extrabudgetary agencies

(thousands of dollars)

	Forecast 2006-2007		Probable 2005-2006	
	Agency expenditure budget	Portion funded by the Department	Agency expenditure budget	Portion funded by the Department
Centre de services partagés du Québec	291,748.0	—	269,276.2	2,348.1
Services Québec ¹	46,500.0	—	—	—
Société immobilière du Québec	600,384.0	—	586,416.0	—

¹ In 2005-2006 Services Québec received \$21.9 million from the Department's appropriations.

Special Funds**Fonds du service aérien gouvernemental**

(thousands of dollars)

	Forecast 2006-2007	Probable 2005-2006
Revenue	61,138.0	60,595.7
Expenditure	59,492.8	58,976.7
Surplus (deficit)	1,645.2	1,619.0
Investment	6,159.0	6,797.2
Total Staff Level (FTEs)	162	162

The purpose of the Fonds du service aérien gouvernemental is to provide air transportation needed to carry out government duties.

The Fund's forecast results for fiscal 2006-2007 remain stable compared to last year.

HIGHLIGHTS

- ❑ Consolidation of the partnership between the Ministère du Tourisme, members of the industry and certain departments and public organizations in order to guide and coordinate their actions, maximize Quebec's capacity to attract and adapt as the market progresses; this can be done by holding the Assises annuelles du Tourisme and through the work of the Conseil des partenaires de l'industrie touristique.
- ❑ Renewal of partnership agreements with regional tourist associations, so as to increase their participation in strategic choices affecting the tourism industry, avoid overlapping of functions and mandates and create synergy between funds dedicated to development and those dedicated to tourism promotion.
- ❑ Continued use of content and functions of the Bonjour Québec.com electronic business centre on websites of regional tourist associations and within tourist information offices, in order to improve the quality of information and booking services for tourists.

1. Presentation of the Minister's Portfolio

The mandate of the Ministère du Tourisme is to support development and promotion of tourism in Québec, encouraging teamwork and partnership among all stakeholders, with a long-term goal of creating jobs, economic prosperity and sustainable development.

The Department's activities involve both tourists and the tourism industry. The former, by offering hospitality and information services and help in making bookings, the latter through advice and support, both financial and technical, in accomplishing their promotional projects or developing tourism products.

The Ministère du Tourisme is the main promoter of destination and tourism experiences in markets outside Québec.

The Department relies on a network of partners made up of entrepreneurs, sectorial and territorial associations and other Government departments and organizations for the accomplishment of its tasks.

The Minister is also legally responsible for the Régie des installations olympiques, the Société du Centre des congrès de Québec and the Société du Palais des congrès de Montréal.

2. Budgetary Choices

The Tourism Partnership Fund budget is allocated to the Department's interventions.

Department activities centre on developing and maintaining efficient teamwork and partnerships, both at the government level and within the tourism industry. The Department also applies and follows up on legislative and administrative rules within its jurisdiction.

The Department plays an essential role in promoting Québec as a destination and its tourism experiences, to the rest of Canada and internationally, helping the industry grow in this time of competing markets and segmented clientele.

Support for the tourism industry, in order to increase growth of regional promotion, comes primarily from the tax on lodging. This is the direct financing vehicle to ensure development of the tourism industry throughout Québec's regions.

The Department is also active in the fields of tourist hospitality and information. The quality of these services and the use of new technology make Québec, and especially the Ministère du Tourisme, an internationally recognized leader in the use of information technology.

Orientation 1: Guide and coordinate government and private tourism activities

- To accomplish Orientation 1, the Department will give priority to the following:
 - for tourism revenues to reach \$13.0 billion by 2010, it is important to conduct annual assessments of how Québec's Tourism Policy is applied, discuss joint projects and consult with businesses, associations and sectorial groups;
 - success in each component of the Policy will depend on building capacity to anticipate change among industry stakeholders as well as creating networking initiatives;
 - tourism stakeholders must have a complete grasp of their competitive and commercial environment so that they can make enlightened decisions for the best possible use of their business or destination. The tourism industry must be able to rely on a network of information and research that meets these challenges.
- To achieve the objectives of Orientation 1, the Department plans to undertake the following:
 - regular meetings of the Conseil des partenaires de l'industrie touristique;
 - the Assises annuelles du Tourisme;
 - creation of standards for an information and research network, and creation of a strategy for the future;
 - conclusion of an agreement with the Réseau de veille en tourisme.

Orientation 2: Market Québec and its tourist experiences

- To accomplish Orientation 2, the Department will focus specifically on:
 - analyzing markets of potential interest for Québec and the best way of investing in them;
 - branding of Québec's uniqueness among all competing destinations by sending out promotional kits and promoting four major attractions: Québec's large cities, the Saint Lawrence, Québec's villages and Québec's nature heritage.
- to achieve the objectives of Orientation 2, the Department plans:
 - to make the best possible use of the international network;
 - to create a marketing committee within the Conseil des partenaires de l'industrie touristique that can set up a financial framework for targeted, long-term and ongoing promotional investments;

- integrated planning for each of the four major experience groups;
- promotional campaigns.

Orientation 3: Stimulate and support the development of tourism products

- To accomplish Orientation 3, the Department intends to draw up an integrated development plan for each tourism product with the partners concerned. Tourism managers face a complex and competitive business environment, and it is important to give them the tools they need for these challenges.
- To achieve the objectives of Orientation 3, the Department plans in particular:
 - startup of integrated intervention plans for each of the 14 growth products of Québec's Tourism Policy;
 - support for drawing up the ACCORD strategy in administrative regions that have a particular niche tourism product.

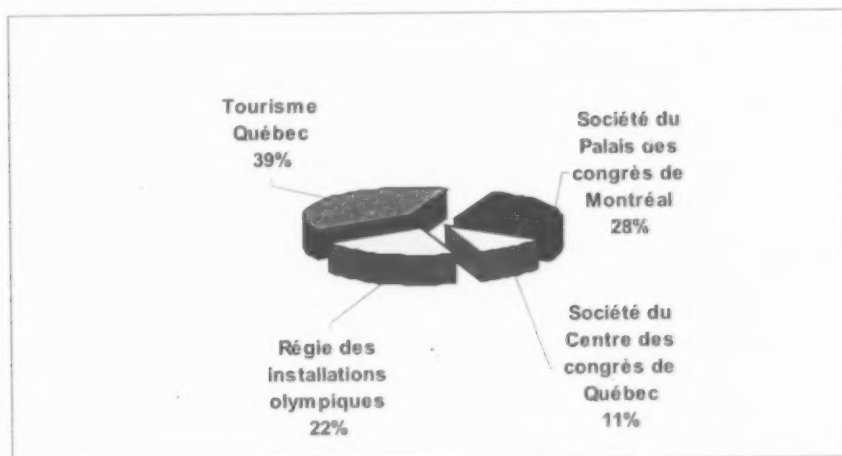
Orientation 4: Provide and oversee tourist services in the areas of hospitality, information and bookings

- To accomplish Orientation 4, the Department has a specific goal:
 - competent and warm hospitality, backed up by a well structured, state-of-the-art tourist information network. Regional tourist associations and tourist information offices will have to use the content and functions of the Bonjour Québec.com electronic business centre on their websites.
- To achieve the objectives of Orientation 4, the Department plans particularly:
 - to increase the number of tourist information offices that use the expertise and resources of Bonjour Québec.com.

Orientation 5: Ensure implementation of the human resources management plan

- To accomplish Orientation 5, the Department has the following goal:
 - the Department will introduce a human resources forecasting and skills management approach, so that it will have the staff it needs to accomplish its mission and strategic orientations.
- To achieve the objectives of Orientation 5, the Department plans, among other actions:
 - startup of the human resources forecasting plan, so as to encourage maintenance and transfer of expertise, particularly where jobs are at risk and for management continuity.

The Department's expenditure budget, including contributions to organizations, amounts to \$139.3 million, which breaks down as follows:



3. Budget Plan

This program promotes the tourism industry in Québec by guiding and coordinating government and private tourism initiatives, by stimulating and supporting the development of tourism facilities, by encouraging the promotion of Québec and its tourism experiences as well as by operating and developing public facilities that are tourist attractions.

Expenditure budget by program (thousands of dollars)

	2006-2007		2005-2006	
	Expenditure Budget (1)	Change (2)=(1)-(4)	Expenditure Budget (3)	Probable Expenditure (4)
1. Promotion and Development of Tourism	139,268.7	(19,343.4)	138,315.4	158,612.1
Total	139,268.7	(19,343.4)	138,315.4	158,612.1
Total Staff Level (FTEs) (excluding special funds)	—	—	—	—

The reduction in expenditures for 2006-2007 compared to 2005-2006 probable expenditures is due mainly to the fact that the latter includes amounts transferred during the year pursuant to the Government Communications Provision of the Conseil exécutif and the Contingency Fund of the Conseil du trésor.

Extrabudgetary agencies

(thousands of dollars)

	Forecast 2006-2007		Probable 2005-2006	
	Agency expenditure budget	Portion funded by the Department	Agency expenditure budget	Portion funded by the Department
Régie des installations olympiques	52,120.0	30,340.0	48,021.0	30,000.0
Société du Centre des congrès de Québec	21,047.6	15,980.0	19,529.2	14,740.0
Société du Palais des congrès de Montréal	56,258.9	38,959.4	55,350.3	39,599.4

Special Funds**Tourism Partnership Fund**

(thousands of dollars)

	Forecast 2006-2007	Probable 2005-2006
Revenue	110,643.5	107,828.3
Expenditure	111,137.7	112,091.4
Surplus (deficit)	(494.2)	(4,263.1)
Investment	2,400.0	714.7
Total Staff Level (FTEs)	335	339

The Tourism Partnership Fund was created on April 1, 1997 to strengthen the promotion and development of tourism in Québec.

In 2006-2007, an estimated amount of \$110.6 million is allocated to this Fund, \$54.0 million of which comes from departmental appropriations. The remainder is essentially derived from special taxes and partnerships.

TRANSPORTS

HIGHLIGHTS

- Investment of \$1.3 billion in highway maintenance, improvement and development, an increase of \$100.0 million over 2005-2006:
 - \$218.2 million for road network improvements, particularly in the realm of safety by easing curves and grades, paving shoulders and redesigning the geometry of a number of troublesome intersections;
 - \$571.4 million for surface and structural maintenance to recondition approximately 1,500 kilometers of pavement and work on some 380 structures;
 - \$407.6 million for road network development to improve the efficiency of major international and interregional corridors, which includes major work on Autoroutes 20, 50, 55 and 73 and on Highways 175 and 185.
- An expenditure of \$308.9 million for Public Transit Assistance (capital expenditures, operations and adapted transportation) particularly so that transit corporations and the Agence métropolitaine de transport can continue repairing and developing public transit infrastructures as well as replace rolling stock.
- Expenditures of \$69.0 million for marine and air transportation services as well as multimodal infrastructures for promoting and supporting marine and rail transportation, as well as maintaining adequate air transportation service in regions.

1. Presentation of the Minister's Portfolio

The mission of the Ministère des Transports is to ensure the mobility of persons and goods throughout Québec by effective, safe transportation systems that contribute to the sustainable development of Québec.

It develops and recommends policies on transportation services, networks and systems to the government. To do so, it carries out the following activities:

- Planning, design and performance of construction, improvement, rebuilding, maintenance and operation of the road network and the other transportation infrastructures under its responsibility;
- Technical and financial support to the municipalities for maintenance, rebuilding and improvement of the local road system;
- Support for transportation systems for persons, particularly urban public transit, adapted transportation and regional maritime and air transportation;
- Development and implementation of transportation safety programs;
- Support for transportation of goods, by promoting intermodality and the use of different modes of transportation (road, rail, maritime and air).

While ensuring the mobility of persons and goods in Québec, these activities support the development of several sectors of the Québec economy related to transportation (manufacturing of transportation equipment and rolling stock, infrastructure construction, etc.).

The Minister is also responsible for several agencies making up the departmental portfolio. Thus, the Commission des transports du Québec, a budget-funded agency, and the Agence métropolitaine de transport and the Société des traversiers du Québec, extrabudgetary agencies, are part of the Minister's portfolio. Moreover, as the person in charge of the Capitale-Nationale, the Minister is responsible for two Québec government agencies that operate in Capitale-Nationale region: the Bureau de la Capitale-Nationale and the Commission de la capitale nationale du Québec.

2. Budgetary Choices

The budgetary choices for the 2006-2007 fiscal year come under the following three orientations:

Orientation 1: Provide users with safe, functional transportation infrastructures in good condition

- Investments of \$218.2 million for improvement of the highway system, particularly with regard to safety

The objective is to contribute to improving the safety of users of the road infrastructures under the Department's responsibility through work aimed particularly at preventing or reducing accidents caused by veering off the road and accidents at intersections.

Actions envisioned

- a variety of roadwork: fixing substandard curves and grades, widening roadways, paving shoulders, installing guardrails and impact attenuators, redesigning the geometry of intersections;
- in addition to those, there will be action in the areas of regulatory supervision, research and development, and communication campaigns;
- the Department also aims, in association with the Société de l'assurance automobile du Québec, to develop and publish a new road safety policy in 2006.

— Investments of \$571.4 million for surface and structural maintenance

The objectives are to improve pavement quality and maintain the quality of road system structures under the Department's responsibility. In this regard, \$344.6 million is budgeted for surface maintenance and \$226.8 million for structural maintenance. Due to the age of highways, substantial resources have to be allocated for their maintenance to provide users with quality services and ensure highway lifespan.

Actions envisioned

- work on approximately 1,500 kilometers of pavement;
- work on some 380 structures.

— Expenditures of \$385.3 million for the operation of highway infrastructures

The objective is to ensure quality maintenance of highways under the Department's responsibility by giving priority to work with an impact on safety. These operating activities include winter maintenance, routine and periodic summer maintenance, and highway system monitoring and corridor management activities. In addition to the road network, the Department also handles the maintenance of other facilities it manages (airports, wharves, etc.).

Actions envisioned

- winter maintenance in compliance with Department specifications;
- proper highway lane markings;
- shoulder grooming before June 30.

Orientation 2: Improve the efficiency of transportation systems within a sustainable development perspective

— Investments of \$407.6 million in road system development

The objective is to improve the efficiency of the major international and interregional corridors, particularly by carrying out major improvement projects on the highway system.

With a view to improving service to regions and markets and thus contributing to the economic development of Québec and its regions, several major highway development projects will be under construction during the year. Many of these projects will be carried out under Canada-Québec agreements related to federal programs aimed at upgrading strategic infrastructures.

Action envisioned

- planned development work, particularly on Autoroutes 20 (Ste-Luce/Mont-Joli segment), 25, 30, 35, 50 (Doherty/Thurso and Grenville/Lachute segments), 55 (Trois-Rivières/Autoroute 20 and Drummondville/Windsor segments), 73 (St-Joseph/Beauceville segment), Autoroute 73/Highway 175 (between km 86 and 227), Highway 185 (Rivière-du-Loup/St-Antoine, Cabano segment), McConnell-Laramée Boulevard in Gatineau, service for the McGill University Health Centre in Montréal, Autoroute du Vallon in Québec City, Notre Dame Street in Montréal, access to Mont-Tremblant.
- Expenditures of \$308.9 million for Public Transit Assistance

The objective is to foster greater urban use of modes of transportation other than the automobile.

In a sustainable development context, urban transportation choices seek to reconcile economic development and the public's quality of life. In this regard, the Department has programs to support the growth of public transit (\$245.0 million) and other public transit services (\$63.9 million).

Moreover, public transit agencies and the Agence métropolitaine de transport (AMT) will continue to benefit from a total of \$119.3 million in revenue from dedicated sources, specifically \$68.8 million from the \$30 contribution collected with registration fees from drivers living in their territory, and \$50.5 million for the AMT from the 1.5¢ per litre gasoline tax collected in the Metropolitan Montréal area.

The Québec government's contribution to funding public transit, either through subsidies (\$308.9 million) or dedicated sources of revenue (\$119.3 million) will total \$428.2 million.

In addition, \$265.5 million will be available to the Société de financement des infrastructures locales du Québec (SoFIL) in 2006-2007 to provide cash financing for public transit investments.

Actions envisioned

- review of the framework for financing public transit;
- assistance for public transit capital expenditures, particularly to continue renovating the Métro, continuing its extension towards Laval, and upgrading the bus fleet as well as improving commuter train services;
- aid for a number of public transit operations;
- implementation of the SoFIL public transit component.

- Expenditures of \$69.0 million for multimodal infrastructures and maritime and air transportation service

The objectives are to promote and support the use of rail, marine and intermodal transportation, as well as foster the maintenance of adequate air transportation service between the regions and major centres.

To attain these goals, the Department is offering these sectors financial aid. In 2005-2006 an agreement in principle was signed with the federal government on rehabilitating shortline railway infrastructures and carrying out intermodal projects. The projects will be initiated by private-sector partners with which the Québec government will sign special agreements.

Actions envisioned

- first year of implementing the agreement on rehabilitating shortline railway infrastructures and carrying out intermodal projects;
- funding for ferry services as well as marine and air service for people living in outlying and isolated regions;
- extension of the agreement with Air Canada on regional airfares until July 2006.

Orientation 3: Improve the organization's performance to provide better services to the public

- Partnerships related to certain transportation infrastructures and services

The objective is to evaluate and carry out, through partnerships if deemed appropriate, major infrastructure projects or projects related to departmental services.

Action envisioned

- continuation of the work towards partnerships, particularly for Autoroutes 30 and 25 as well as rest areas.
- Investments of \$39.8 million to improve departmental information systems

The objectives are to improve management by reengineering administrative processes and installing a new generation of information systems, as well as setting up a governmental portal for transportation and related high-priority departmental online services.

Actions envisioned

- continuation of work on information systems: SAGIR, project management, structures, operations;
- continued development of the governmental portal and departmental online services.

3. Budget Plan

The 2006-2007 budget plan takes into account the Department's major strategic issues. Thus, it will pursue its major investments in maintenance, improvement and development of the highway system by investing \$1,300.0 million, which represents an increase of \$100.0 million over last year. The funding for infrastructure operations will meanwhile be increased by \$19.7 million to cover the higher costs of contracts, materials and fuel.

In the area of transfers, the vast majority of aid programs have been adjusted upwards in response to new needs. This includes an additional \$8.0 million towards the 400th anniversary of Québec City, an extra \$5.9 million in transportation aid for the handicapped following adoption of the new Act to secure handicapped persons in the exercise of their rights with a view to achieving social, school and workplace integration (R.S.Q., c. E-20.1) and \$7.8 M more in assistance for rail and marine transportation, including aid for Société des traversiers du Québec operations.

Expenditure budget by program (thousands of dollars)

	2006-2007		2005-2006	
	Expenditure Budget (1)	Change (2)=(1)-(4)	Expenditure Budget (3)	Probable Expenditure (4)
1. Transportation Infrastructures	1,413,978.6	113,587.9	1,308,514.5	1,300,390.7
2. Transportation Systems	414,750.6	26,358.0	395,193.3	388,392.6
3. Administration and Corporate Services	88,843.9	3,652.0	88,613.5	85,191.9
4. Promotion and Development of the Capitale-Nationale Region	39,462.2	2,052.5	29,209.7	37,409.7
Total	1,957,035.3	145,650.4	1,821,531.0	1,811,384.9
Total Staff Level (FTEs) (excluding special funds)	3,663	(103)	—	3,766

The Department's expenditure budget presented in the above table is \$145.6 million higher in 2006-2007 than 2005-2006 probable expenditure, rising from \$1,811.4 million to \$1,957.0 million. This change is primarily explained by the following factors:

- A \$90.0-million increase in the allocation to special funds, essentially to help finance the Road Network Preservation and Improvement Fund;
- A \$31.9-million increase in planned transfer expenditures, resulting mainly from more grants for the 400th anniversary of Québec City, more transportation assistance for the handicapped following adoption of the new Act to secure handicapped persons in the exercise of their rights with a view to achieving social, school and workplace integration (R.S.Q., c. E-20.1) and more aid for rail and marine transportation, including the Société des traversiers du Québec;

- A \$23.7-million increase in budgeted operating and payroll expenditures, primarily in the area of transportation infrastructure operating costs.

Program 1: Transportation Infrastructures

The purpose of this program is to ensure the improvement, repair, and maintenance of land, maritime, and air transportation infrastructures.

This program consists of the following activities:

- Contribution to the financing of the Road Network Preservation and Improvement Fund \$805.1 million
- Transportation Infrastructures Maintenance \$385.3 million
- Depreciation of highway infrastructures (prior to the creation of the Road Network Preservation and Improvement Fund) and other transportation infrastructures \$104.5 million
- Financial Assistance for the Local Road System \$118.7 million
- Other activities \$0.4 million

The \$113.6-million increase in the 2006-2007 expenditure budget is essentially the net result of changes involving various activities.

The first involves the Department's contribution to the Road Network Preservation and Improvement Fund, which increased \$88.9 million. Infrastructure maintenance meanwhile increases by \$19.7 million to cover the higher costs of contracts, materials and fuel. As regards the financial assistance program for the local road system, it rises by \$4.2 million, primarily to cover additional costs incurred by paving roads in Nunavik villages. Finally, the depreciation of other transportation infrastructures increases by \$0.8 million.

Program 2: Transportation Systems

The purpose of this program is to establish policies and regulations relating to transportation systems for persons and goods, to provide financial assistance for agencies that provide transportation services, to issue transportation or leasing permits for various modes of transportation, and to manage the Register of Owners and Operators of Heavy Vehicles.

This program consists of the following activities:

— Assistance for the acquisition of public transit equipment	\$220.3 million
— Assistance for the operation of certain public transit services	\$24.7 million
— Assistance for adapted transportation for the handicapped	\$63.9 million
— Assistance for Adapting Vehicles to Handicapped Persons	\$11.3 million
— Assistance for maritime transportation, including a contribution to the financing of the Société des traversiers du Québec	\$62.4 million
— Assistance for air transportation	\$4.2 million
— Commission des transports du Québec operations	\$12.4 million
— Other activities	\$15.5 million

The \$26.4-million increase in the 2006-2007 expenditure budget is the net result of several changes to transfers. The principal increases are the following: assistance for public transit increases by \$8.8 million, including aid for the operation of certain public transit services; assistance for adapted transportation for the handicapped increases by \$5.9 million, primarily as a result of adoption of the new Act to secure handicapped persons in the exercise of their rights with a view to achieving social, school and workplace integration (R.S.Q., c. E-20.1); aid for financing the Société des traversiers du Québec increases by \$4.3 million to cover higher operating costs, including fuel; assistance for marine transportation increases by \$3.3 million and assistance for rail transportation by \$1.4 million, primarily for implementation of the new federal-provincial program on the rehabilitation of shortline infrastructures and intermodal transportation.

Program 3: Administration and Corporate Services

The purpose of this program is to provide various management support services for the Department's activities and to ensure the development of transportation plans for passengers and goods. It also promotes expertise by supporting research and development activities.

This program consists of the following activities:

— Planning, administration and coordination of human, physical, financial and information resources	\$63.0 million
— Development of departmental orientations and policies and interventions on research and development	\$15.7 million
— Depreciation of fixed assets other than transportation infrastructures	\$10.1 million

The \$3.6-million increase in the expenditure budget in 2006-2007 is basically due to a \$3.2-million increase in depreciation expense following the installation of several new information systems, including SAGIR, as well as the rise in operating costs.

Program 4: Promotion and Development of the Capitale-Nationale Region

This program's objective is to support and promote the Capitale-Nationale region by reinforcing the role of Québec City as capital city, by contributing to the enhancement of its sites, monuments and activities, by empowering local and regional areas to take control of their development, and by supporting development and diversification of its economic base.

The \$2.0-million increase in this program's expenditure budget is mainly due to an increased contribution to Québec City's 400th anniversary celebrations.

Capital budget

(thousands of dollars)

	2006-2007	2005-2006
Fixed Assets	45,362.7	44,097.0
Loans, Investments and Advances	200.0	200.0

The capital budget of \$45.4 million, which shows an increase of \$1.3 million, allows the Department to meet its commitments in the following areas: work relating to maritime and air transportation infrastructures, information systems development and purchases of material and equipment.

Budget-funded agency and extrabudgetary agencies

(thousands of dollars)

	Forecast 2006-2007		Probable 2005-2006	
	Agency expenditure budget	Portion funded by the Department	Agency expenditure budget	Portion funded by the Department
Budget-funded agency				
Commission des transports du Québec	12,367.9	12,367.9	12,113.0	12,113.0
Extrabudgetary agencies				
Agence métropolitaine de transport	245,456.0	50,180.0	239,139.0	49,386.0
Commission de la capitale nationale du Québec	15,253.2	13,873.5	13,150.5	12,764.4
Société des traversiers du Québec	64,966.0	43,202.8	62,876.2	41,449.5

Special Funds

Road Network Preservation and Improvement Fund (thousands of dollars)

	Forecast 2006-2007	Probable 2005-2006
Revenue	831,298.7	738,120.9
Expenditure	831,298.7	738,120.9
Surplus (deficit)	0.0	0.0
Investment	1,308,969.2	1,234,925.0
Total Staff Level (FTEs)	2,184	2,210

The Road Network Preservation and Improvement Fund is an investment fund allocated since April 1, 1996 financing the preservation of roadways and structures and the improvement and development of the road network.

Planned outlays for 2006-2007 total \$1,411.8 million, including \$111.8 million in contributions from partners.

These disbursements can be broken down into two categories:

- \$1,309.0 million in investments to increase service capacity that are capitalized and amortized based on the duration of their useful life, that is, between 10 and 30 years;
- Indirect costs estimated at \$102.8 million, treated as operating expenditures.

The Fund's expenditures, estimated at \$831.3 million for 2006-2007, represent the costs of operating expenditures for the current year and of debt service for fixed assets realized since its creation. These expenditures are covered in great part by a contribution of \$805.1 million from the Department, and from various partners including the federal government.

Rolling Stock Management Fund

(thousands of dollars)

	Forecast 2006-2007	Probable 2005-2006
Revenue	76,889.4	75,918.9
Expenditure	76,889.4	76,326.8
Surplus (deficit)	0.0	(407.9)
Investment	21,000.0	18,260.3
Total Staff Level (FTEs)	260	266

The Rolling Stock Management Fund was established on April 1, 1998 to finance the activities of the Centre de gestion de l'équipement roulant. The primary objective of the Centre is to ensure integrated management of the Department's rolling stock. It also offers services similar to various public agencies in Québec.

For 2006-2007, the Fund calls for a balanced budget totalling \$76.9 million, funded largely by the Department in the amount of \$56.9 million. A capital budget of \$21.0 million is also provided for renewing rolling stock for the Department and client agencies.

Fund for the Contribution of Motorists to Public Transit

(thousands of dollars)

	Forecast 2006-2007	Probable 2005-2006
Revenue	68,812.1	67,795.2
Expenditure	68,812.1	67,795.2
Surplus (deficit)	0.0	0.0
Investment	—	—
Total Staff Level (FTEs)	—	—

The Fund for the Contribution of Motorists to Public Transit has been operating since January 1, 1992. Its purpose is to promote the development of urban public transit services. Its financing comes from a \$30 fee charged to vehicle owners in major urban areas throughout Québec when they renew their vehicle registration.

In 2006-2007, the revenue from this Fund, estimated at \$68.8 million, will be fully redistributed to public transit authorities.

Fund for the Sale of Goods and Services of the Ministère des Transports
(thousands of dollars)

	Forecast 2006-2007	Probable 2005-2006
Revenue	8,809.1	4,976.9
Expenditure	8,790.0	4,972.9
Surplus (deficit)	19.1	4.0
Investment	13,794.5	800.0
Total Staff Level (FTEs)	38	31

Since fiscal 2001-2002, the Centre de signalisation of the Department has been converted into an agency by the Department, in accordance with the new management framework established by the Public Administration Act (R.S.Q., c. A-6.01). The goods and services provided by the Centre mainly involve the development and manufacture of road and information signs, as well as emergency signs for departments and both public and private organizations.

Moreover, on April 1, 2006, the activities of the Department's Direction des parcs routiers will be integrated with the Fund for the Sale of Goods and Services of the Ministère des Transports. These activities involve setting up a new network of highway rest areas, particularly through the award of public-private partnership contracts.

For 2006-2007 the Fund has a budget with \$8.8 million in revenue from the sale of signs as well as operation of various service areas. A modest surplus is expected. A capital expenditure budget of \$13.8 million will be used primarily for the transfer of existing rest areas, particularly the newly built ones in Saint-Nicolas, Saint-Augustin and Saint-Michel-de-Bellechasse, as well as for the acquisition of signage.

HIGHLIGHTS

- ❑ The budget of the Department, excluding transfer appropriations, is mainly allotted to staff remuneration, which accounts for about 75.0% of financial resources. The remainder is allocated to material resources, to the rental of facilities and travel costs.
- ❑ The Department and the three budget agencies in the "Travail" portfolio do not manage any programs whose funding requirements might vary in response to demand for services. The expenditures required for operations and service delivery will not vary substantially during the year and will remain within the established guidelines.
- ❑ In December 2005, the status of the Régie du bâtiment du Québec was changed to an extrabudgetary agency. However, the Régie du bâtiment continues to be a point of reference in the annual expenditure management plan.

1. Presentation of the Minister's Portfolio

The Department's mission is to ensure individuals have fair working conditions and to promote labour relations that foster respect and harmony in the work place as well as organizational performance. The Department has a large, diverse clientele. It primarily consists of salaried workers, employers, employer associations, unions, law and labour relations experts and researchers, and various interest groups and rights advocacy groups.

To meet the needs of its clients and the public in general, the Department has specific levers for action at its disposal; these levers are also the basis for its services:

- Labour legislation and policies;
- Labour relations services;
- Information on labour.

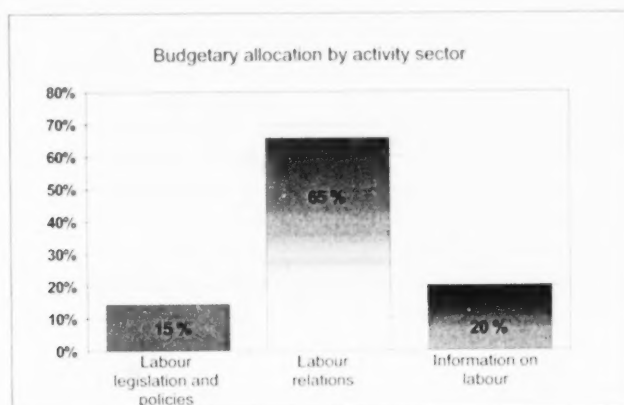
The "Travail" portfolio consists of three budget-funded agencies which support the Department in carrying out its mission:

- The Conseil consultatif du travail et de la main-d'oeuvre sees to the collaboration between employer and union organizations so as to guide and support government action in work and labour matters;
- The Commission de l'équité salariale sees to the implementation of pay equity for Québec women. It provides for the establishment of specific approaches or programs, and ensure that pay equity is maintained in enterprises;
- The Conseil des services essentiels ensures that the public continues to receive services deemed essential when the right to strike is exercised by employees in some public services within the Public Service or in health and social service network establishments.

2. Budgetary Choices

The budget choices maintain or consolidate routine activities that are essential to the Department's mission.

These choices are tied to three orientations covering each of the Department's activity sectors, namely labour legislation and policies, labour relations services, and information on labour. The graph below depicts the overall breakdown of budget resources per activity sector.



For each of these sectors, reaching results is coupled with a concern for the quality of public services and the optimal management of public funds. The result of this broad concern is a strategic orientation that places responsibility on all the agency's sectors and for which results are expected.

Labour legislation and policies

The budgetary choices in this sector are related to the need to determine the legislative and administrative environment governing working conditions and labour relations. Because this activity serves the public interest, it requires active public participation, whether or not individuals are part of representative associations, economic or social organizations, interest groups or ad hoc groups. Two budgetary choices relate to this:

- Provide effective support for departmental and governmental decision making;
- Improve the quality and effectiveness of the regulatory framework.

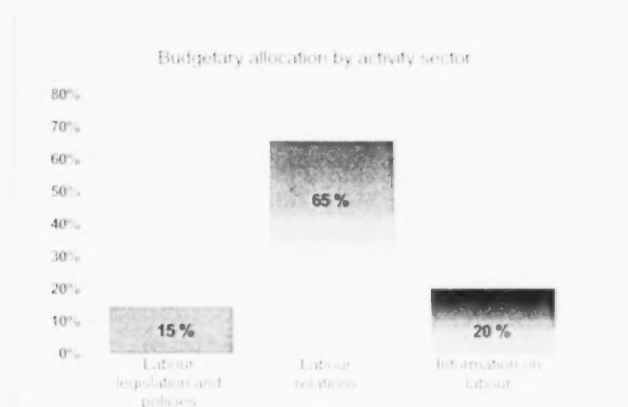
Labour relations services

The Department intervenes with employer and union clienteles to facilitate dispute settlement and promote labour relations that are characterized by openness and mutual respect. It must ensure that its services are of consistently high quality, and suited to the specific challenges facing the parties. It also publicizes exemplary practices that help prevent and resolve disagreements. To provide motivation and support for organizational use of these practices, it promotes partnership approaches to businesses. The two associated budgetary choices are the following:

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- Provide clienteles with efficient and diligent labour relations services adapted to their needs;
- Promote and support improvement of labour relation practices.

Information on labour

The production and dissemination of information and knowledge on labour constitute an important lever for action with the Department's corporate and individual clients. Information on labour is a field that has grown steadily in recent years, especially through the Internet where the sharp rise in the number of users has created a new realm for discussion and transactions with the public. While enriching relationships with the public, information technology also provides many opportunities to improve service quality. Budget choices concerning information on labour are the following:

- Provide the public with efficient, courteous and diligent information and referral services;
- Maintain and develop a wide range of pertinent, reliable and regularly updated publications on labour.

Public management centred on the quality and efficiency of services

— Quality of services

After carrying out surveys with its clienteles in order to assess their satisfaction with its mediation and reconciliation services, the Department will conduct a survey to assess their satisfaction with some of its publications which provide work-related information.

Furthermore, in anticipation of less strict regulations, the Department intends to maintain the reduced time periods for renewing or modifying a collective agreement decree at the level reached in 2005.

— Efficiency of services

With respect to time periods for responding to requests for intervention by providing services related to mediation and reconciliation, the Department will maintain the performance it obtained in 2005. In the time periods that were compiled and measured, a sharp reduction was seen between 2004 and 2005.

— E-Government

The quality, relevance and location of information on the Internet will always continue to be an area for improvement. E-Government will also continue to be used as a public forum for discussion and public consultation when developing new orientations affecting the regulation of labour.

— Optimal management of public funds: the sharing of administrative services

In accordance with the government's willingness to review its ways of managing within the public administration, especially its promotion of a culture of shared services, the year 2006-2007 will see an application of service agreements for administrative support between the ministère de l'Emploi et de la Solidarité sociale (MESS) and the ministère du Travail, and between the MESS and specific agencies in the "Travail" portfolio. This agreement confirmed the willingness of the two departments to share certain services for a minimum of three years, and it will allow the Department to focus on its mission and to reduce costs as well as part of the workforce allocated to administrative services.

3. Budget Plan

The "Travail" portfolio contains one program. This program essentially aims to develop, implement and oversee the application, and to coordinate the execution of policies and measures with respect to minimal work conditions, work relations and pay equity.

The 2006-2007 expenditure budget is \$31.5 million, down \$30.5 million from the 2005-2006 probable expenditure. The reduction is essentially explained by the conversion of the Régie du bâtiment du Québec into an extrabudgetary agency and by a transfer of administrative activities to the ministère de l'Emploi et de la Solidarité sociale.

Expenditure budget by program (thousands of dollars)

	2006-2007		2005-2006	
	Expenditure Budget (1)	Change (2)=(1)-(4)	Expenditure Budget (3)	Probable Expenditure (4)
1. Labour	31,506.5	(30,517.4)	61,316.5	62,023.9
Total	31,506.5	(30,517.4)	61,316.5	62,023.9
Total Staff Level (FTEs) (excluding special funds)	231	(432)	—	663

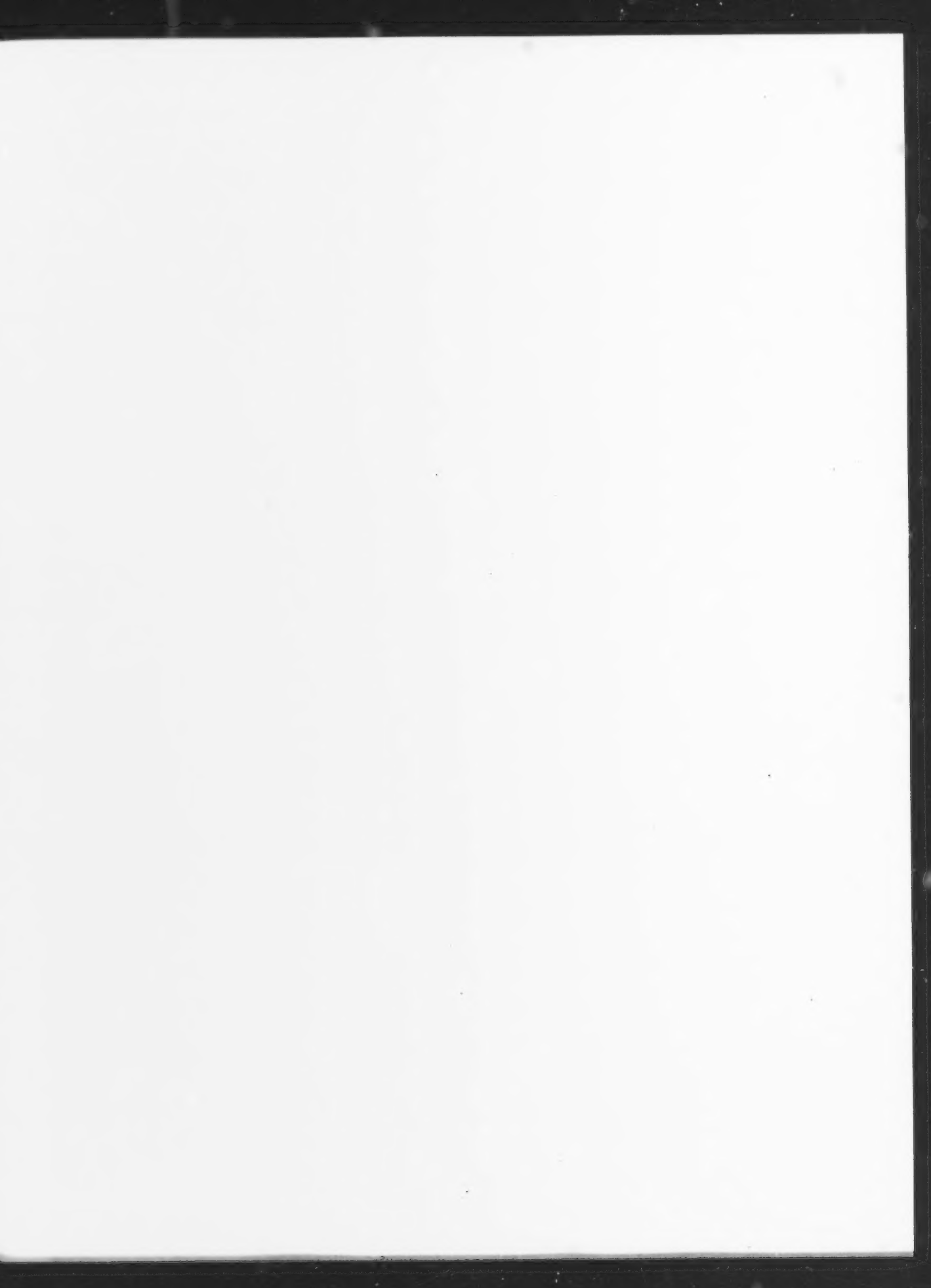
Capital budget (thousands of dollars)

	2006-2007	2005-2006
Fixed Assets	1,670.8	16,370.8
Loans, Investments and Advances	1.0	1.0

The variation between the 2006-2007 and 2005-2006 capital budgets is primarily due to the withdrawal of the Régie du bâtiment du Québec from administrative activities.

Budget-funded agencies and extrabudgetary agencies
(thousands of dollars)

	Forecast 2006-2007		Probable 2005-2006	
	Agency expenditure budget	Portion funded by the Department	Agency expenditure budget	Portion funded by the Department
Budget-funded agencies				
Commission de l'équité salariale	5,374.7	5,374.7	5,398.6	5,398.6
Conseil consultatif du travail et de la main-d'œuvre	457.5	457.5	424.4	424.4
Conseil des services essentiels	3,023.1	3,023.1	2,384.4	2,384.4
Régie du bâtiment du Québec	—	—	20,742.5	20,742.5
Extrabudgetary agencies:				
Commissaire de l'industrie de la construction	1,248.9	100.0	1,255.3	100.0
Commission des lésions professionnelles	54,268.9	—	50,049.9	—
Commission des normes du travail	56,023.6	—	52,345.6	—
Commission des relations du travail	14,990.9	7,898.1	13,964.0	7,450.0
Régie du bâtiment du Québec	39,031.1	—	12,832.3	—





Conseil du trésor
Québec

